1999 / 2000 ANNUAL REPORT - PUBLISHED IN SEPTEMBER 2000

Alberta Human Resources and Employment

annual report

1999 | 2000

the people & workplace department

Alberta
HUMAN RESOURCES
AND EMPLOYMENT

100-07628/

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Preface

PUBLIC ACCOUNTS 1999 - 2000

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 Ministries.

The annual report of the Government of Alberta is released in June and contains the Provincial Treasurer's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the Measuring Up report.

This annual report of the Ministry of Alberta Human Resources and Employment contains the Minister's accountability statement, the audited financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This Ministry annual report also includes

- The financial statements of entities making up the ministry including the department of Alberta Human Resources and Employment
- Other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as part of financial statements, to the extent that the ministry has anything to report
- Additional information relating to Alberta Labour Relations Board, Personnel Administration Office, and Workers' Compensation Board

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2000 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June, 30, 2000, with material economic or fiscal implications of which I am aware, have been considered in the preparation of this report.

Clint Dunford

Clint Dunford, MLA
Minister

August 2000

Message from the Minister

In May of 1999, Alberta Human Resources and Employment was created with a new mandate to support the development of all Albertans so they can contribute to and share more fully in our province's prosperity. Alberta has long recognized that our economic prosperity and quality of life is directly linked to the ingenuity, skills and talents of all Albertans.

As the new "People and Workplace" department, we provide a continuum of services to help Albertans move forward in their lives. We provide resources to meet their basic needs, prepare them for the world of work and ensure they participate in healthy, safe and productive workplaces.

For those who are unable to support themselves, the Supports for Independence and Assured Income for the Severely Handicapped programs provide both financial assistance and the opportunity for Albertans to learn and work towards independence.

The Assured Income for the Severely Handicapped program (AISH) is among one of the most generous programs of its kind in Canada. We refocused this program in 1999/2000 and approximately 25,000 recipients saw an increase to their benefits. AISH recipients who now wish to participate in employment may do so with continued medical coverage and without jeopardizing their eligibility for future benefits.

The Alberta Child Health Benefit helps to keep low-income families in the workforce and ensures their children are healthy. We have expanded the Alberta Child Health Benefit by raising the qualifying income thresholds and making them sensitive to family size. In 1999/2000, over 53,500 children received coverage for dental care, optical services, drug prescriptions, emergency ambulance services and essential diabetic supplies.

Helping Albertans become more self-reliant in an ever-changing marketplace is an important focus for my department. Our various labour market programs and services are important supports in helping unemployed Albertans to prepare for and obtain employment. In the past year, more than 42,000 Albertans participated in these programs. Our employment and training programs are clearly a success, as 72 per cent of program participants were employed after leaving these programs.

We also connect Albertans to a wealth of career, learning and employment information so they can succeed in the labour market. Our printed resources, labour market information centres, on-line materials, workshops and stakeholder partnerships help Albertans acquire the knowledge they need to make informed career decisions. Last year, we distributed over 677,000 career-related products and have processed and displayed more than 44,000 job orders through the Canada-Alberta Job Order Bank Service (JOBS).

We are breaking down barriers for youth and other individuals who have the skills and talents, but just need the opportunity to participate in our economy. Alberta's Youth Employment Strategy is making tremendous strides in helping young people make the transition from school to work and to gain employment.

In the past year, our partnerships with more than 2,500 Alberta businesses provided mentoring, work experience and other employment opportunities for youth. Our Youth Connections program, which has been expanded from two to 23 sites across the province, helped over 28,000 young people connect with further learning opportunities, job training, work experience and employment.

With more Albertans moving into the workforce, we have a responsibility to ensure they benefit from healthy, safe and productive workplaces.

1999 was an outstanding year for job growth and productivity in Alberta. In the area of labour relations, our facilitation and mediation services played an important role in helping labour and management deal more effectively with workplace disputes. As a result, Alberta has one of the lowest rates of person- days lost to strikes or lockouts in Canada.

In our workplaces, Albertans have never been healthier or safer. In 1999/2000, a year of increased economic activity, Alberta had the lowest lost-time claim rate related to employee occupational injury and disease that has ever been recorded for the province.

Within the Ministry of Alberta Human Resources and Employment, I am also responsible for the Personnel Administration Office (PAO). Human resource management continues to be a priority for government and PAO works in partnership with departments to respond to emerging human resource issues.

All departments have leadership continuity strategies in place to address issues around an aging workforce. We provided 529 opportunities for young people making the transition from school to work through a variety of work experience, co-op and internship placements. Current employees are provided with learning supports and leadership development tools to enhance their skills now and for the future. In the latest survey of employees, 80 per cent reported they are satisfied with their employment in the public service. As we continue with these efforts, we are building a strong public service that provides Albertans with quality programs and services.

I am proud of the contributions my staff and our partners have made in helping Albertans. This has been a challenging year for department staff and I want to thank them for always putting their clients first during this period of transition.

As we continue to build a strong organization, we are committed to fully integrating our programs and services to help Albertans make positive transitions in their lives and ensure our workplaces are safe, healthy and productive.

Clint Dunford

Clint Dunford
Minister

Management's Responsibility for Reporting

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, we ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Alberta Human Resources and Employment. Under the direction of the Minister, we oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgements. The financial statements are prepared in accordance with the government's stated accounting policies.

The Deputy Minister and the Public Service Commissioner are responsible for establishing and maintaining the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money
- Provide information to manage and report on performance
- Safeguard the assets and properties of the Province under Ministry administration
- Provide Cabinet, Treasury Board, the Provincial Treasurer and the Minister with any information needed to fulfill their responsibilities
- Facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*

In fulfilling our responsibilities for the Ministry, we have relied, as necessary, on the executives of the individual entities within the Ministry.

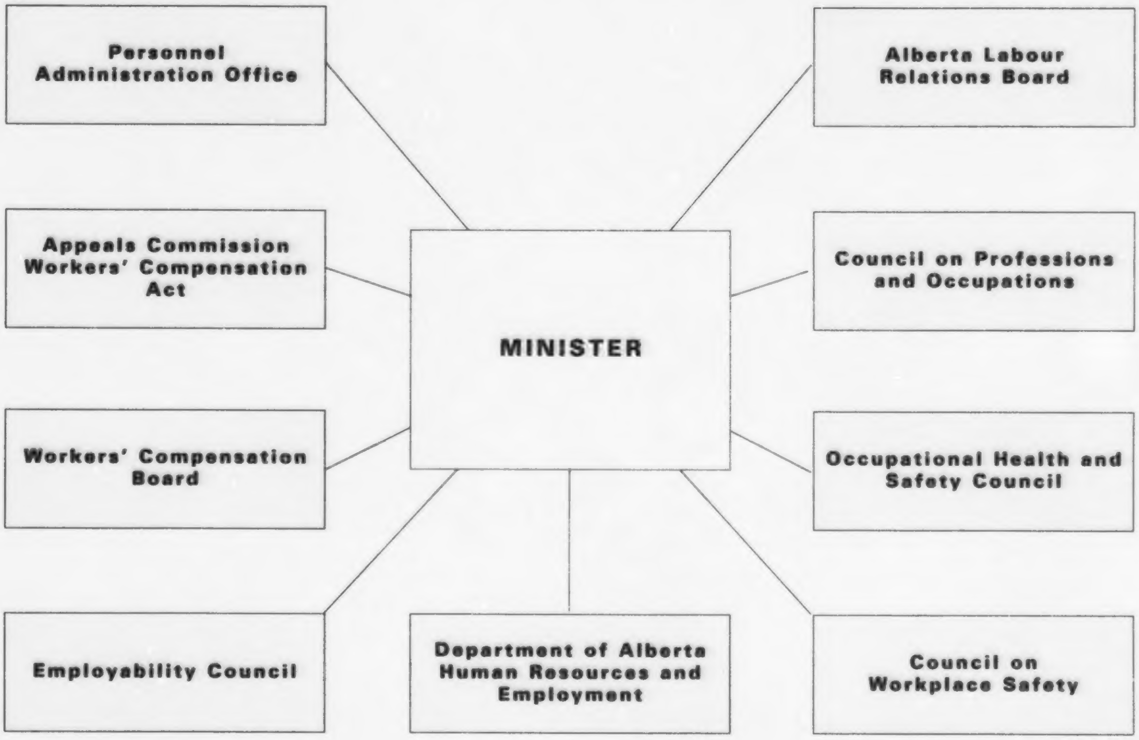
Ron Hicks

Ron Hicks
Deputy Minister
Alberta Human Resources
and Employment

Jim Dixon

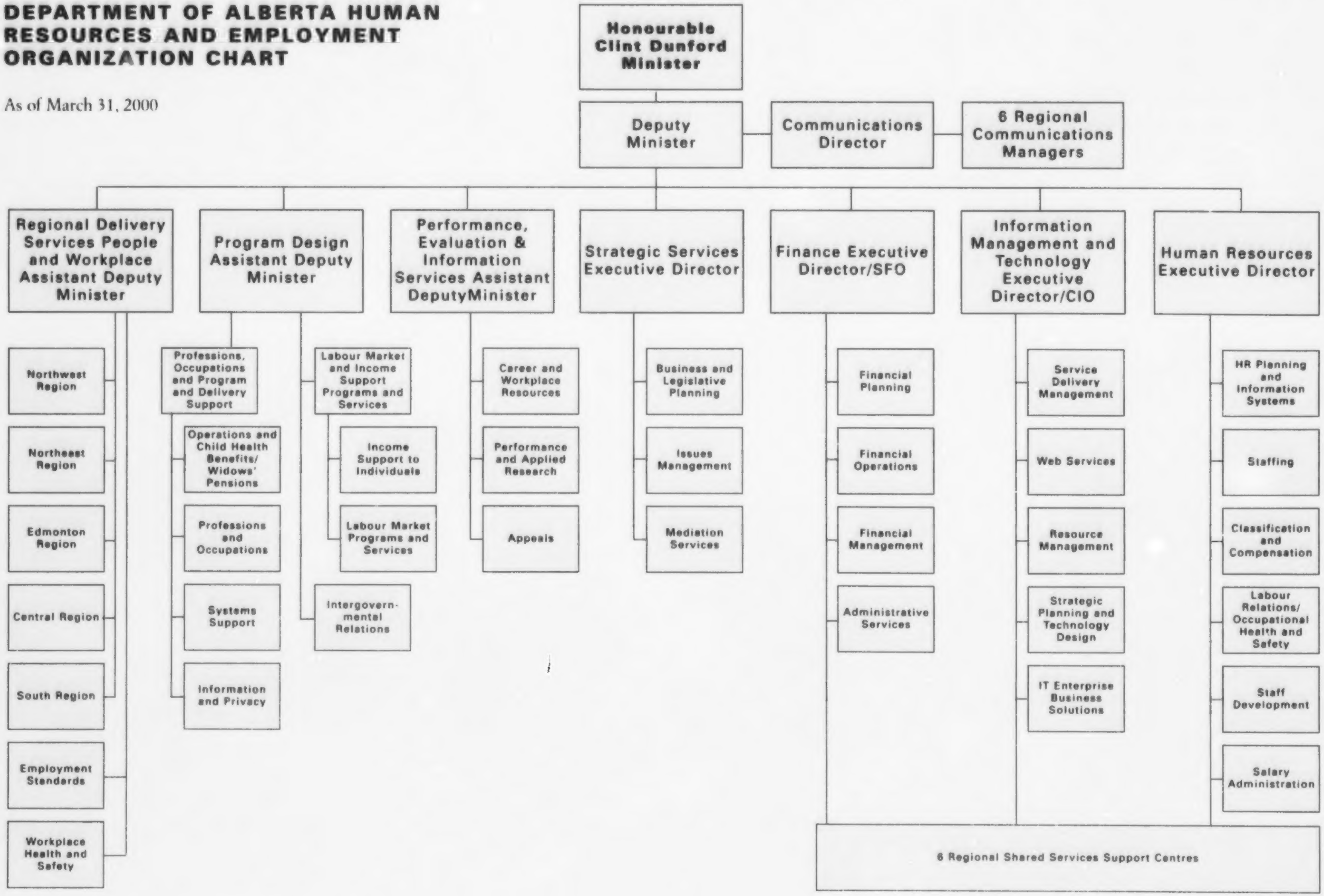
Jim Dixon
Public Service Commissioner
Personnel Administration Office

Ministry of Alberta
Human Resources and Employment


Personnel Administration Office
Alberta Labour Relations Board
Appeals Commission Workers' Compensation Act
MINISTER
Council on Professions and Occupations
Workers' Compensation Board
Occupational Health and Safety Council
Employability Council
Department of Alberta Human Resources and Employment
Council on Workplace Safety

DEPARTMENT OF ALBERTA HUMAN RESOURCES AND EMPLOYMENT ORGANIZATION CHART

As of March 31, 2000


Honourable Clint Dunford Minister
Deputy Minister
Communications Director
6 Regional Communications Managers
Regional Delivery Services People and Workplace Assistant Deputy Minister
Northwest Region
Northeast Region
Edmonton Region
Central Region
South Region
Employment Standards
Workplace Health and Safety
Program Design Assistant Deputy Minister
Professions, Occupations and Program and Delivery Support
Operations and Child Health Benefits/ Widows' Pensions
Professions and Occupations
Systems Support
Information and Privacy
Labour Market and Income Support Programs and Services
Income Support to Individuals
Labour Market Programs and Services
Intergovern-mental Relations
Performance, Evaluation & Information Services Assistant DeputyMinister
Career and Workplace Resources
Performance and Applied Research
Appeals
Strategic Services Executive Director
Business and Legislative Planning
Issues Management
Mediation Services
Finance Executive Director/SFO
Financial Planning
Financial Operations
Financial Management
Administrative Services
Information Management and Technology Executive Director/CIO
Service Delivery Management
Web Services
Resource Management
Strategic Planning and Technology Design
IT Enterprise Business Solutions
Human Resources Executive Director
HR Planning and Information Systems
Staffing
Classification and Compensation
Labour Relations/ Occupational Health and Safety
Staff Development
Salary Administration
6 Regional Shared Services Support Centres

the people & workplace department

Alberta Human Resources and Employment

overview

Ministry Overview

The Ministry of Alberta Human Resources and Employment includes:

- Department of Alberta Human Resources and Employment
- Personnel Administration Office
- Alberta Labour Relations Board
- Workers' Compensation Board
- Council on Professions and Occupations
- Occupational Health and Safety Council
- Council on Workplace Safety
- Employability Council
- Appeals Commission Workers' Compensation Act

The Personnel Administration Office and the Alberta Labour Relations Board annual reports are incorporated in this Ministry's annual report.

Financial information for the Workers' Compensation Board is also included in this annual report.

DEPARTMENT OF ALBERTA HUMAN RESOURCES AND EMPLOYMENT

Alberta Human Resources and Employment is composed of seven departmental divisions. The department 's programs and services are delivered through a network of over 80 offices in six regions. Mobile services are available for communities without service sites. There are 19 Labour Market Information Centres located in Career Development Centres and the Canada Alberta Service Centres across Alberta providing career and labour market information to Albertans.

The department's delivery network also includes ties with training providers across the province, including post-secondary institutions, private schools, high schools, and contracts with private trainers. The department also works with a variety of stakeholders such as industry, labour groups, professional associations, Indian Bands, Metis Settlements, community groups, federal and municipal governments and other provincial departments.

During 1999/2000, the department's staff and services were supported through a corporate structure and six regional Shared Services Support Centres (SSSCs). The SSSCs include human resources, information technology, financial, communications and administrative support functions. (Note: The SSSCs have been incorporated into the Alberta Corporate Service Centre (ACSC) in 2000/01.)

Alberta Human Resources and Employment's seven divisions are:

Regional Delivery Services – People and Workplace Division

Through a regional and district office system, the Regional Delivery Services, People and Workplace division provides:

- Career advice and information through Labour Market Information Centres
- Training programs
- Student finance support
- Income support programs (Supports for Independence (SFI), Assured Income for the Severely Handicapped (AISH))
- Family maintenance program
- Temporary employment initiatives
- Guardianship services for dependent adults
- Worksite health and safety management programs, investigations and inspections
- Employment standards information and client resolution services

Program Design Division

The division is responsible for:

- Creating discussion papers, policy options, Minister's reports, and policy manuals
- Developing standards and guidelines to ensure provincial consistency in programs and services
- Working jointly with other Ministries to develop government strategy on issues which transcend Ministries (e.g. policies on housing, homelessness, children's initiatives and seniors' benefits)
- Providing provincial programs (e.g. Summer Temporary Employment Program (STEP), Provincial Local Labour Market Partnerships (LLMP), Alberta Child Health Benefit (ACHB), Employment Skills Program, and Widows' Pension)
- Negotiating agreements and Memorandums of Understanding (e.g. National Child Benefit, Labour Market Development Agreement,

Employment Assistance for Persons with Disabilities, medical services agreements, information and data matching)

- Providing consulting services regarding Professions and Occupations and Information and Privacy

Performance, Evaluation and Information Services Division

The division is responsible for:

- Performance measurement and reporting
- Designing and implementing evaluation
- Developing management information
- Monitoring of programs and identification of best practices
- Environmental scanning
- Developing, promoting and distributing career, labour market and workplace information products
- Administering Alberta Learning Information Service (ALIS) web site as Albertans' Internet gateway to career, learning and employment information
- Providing a Career Information Hotline for consultation and referrals
- Job Order Bank Service (JOBS) that provides job seekers with access to employers who are looking for workers
- Supporting and advising appeal panels on Supports For Independence (SFI), Assured Income for the Severely Handicapped (AISH), dependent adults, child welfare, Widows' Pension, Seniors' Benefits and Aids to Daily Living

Strategic Services Division

The division is responsible for:

- Promoting the use of process management principles, tools and techniques by coaching, mentoring and facilitating work groups to solve issues, and help them identify and improve processes and results
- Conducting environmental scanning to identify emerging trends and issues
- Developing legal and legislative options and strategies
- Managing the processes to develop the department's strategic, business and operational plans and the Ministry annual report
- Promoting positive labour relations and workplace innovation by helping Alberta workplaces to solve problems and promote co-operation between management and labour groups
- Providing mediation and arbitration services to resolve labour disputes

Finance Division

The division is responsible for:

- Providing consultation and training in the areas of payments, finance and administration systems operations, budgets and forecasts, accommodations, purchasing, asset and fleet management, records management, insurance, contract administration and other finance and administration policy and procedures, and audit programs
- Developing frameworks for various finance and administration activities
- Providing reconciled financial data for reporting and analysis
- Ensuring the integrity of cross-departmental finance and administration information technology systems

Information Management and Technology Division

The division provides leadership in information technology and is responsible for:

- Ensuring technology investment supports the achievement of the Ministry business plan
- Ensuring that staff have the information and tools available to them to effectively and efficiently carry out their work
- Continually improving organizational communications: network, e-mail, intranet, internet, externet
- Managing the data environment for the Ministry

Human Resources Division

The division operates under the framework of the Personnel Administration Office. Human Resources is responsible for providing:

- Consultation, technical support and interpretation of personnel policies in the area of benefits, salary administration, classification and compensation, labour relations, occupational health and safety, performance management, training and development, staffing and workforce adjustment
- Representing the department in collective bargaining and providing consultation and support in the administration of the employee assistance programs available for public service employees

Communications

Communications supports the department in reaching its goals by:

- Providing strategic communications planning, consulting and specialized communication services to the Minister and the department

The divisions of Finance, Information Management and Technology, Human Resources and Communications also provide support to the Ministry of Children's Services, and to the Provincial Persons with Developmental Disabilities Boards (Ministry of Health and Wellness).

PERSONNEL ADMINISTRATION OFFICE

The Personnel Administration Office (PAO) is the central human resources arm of government. PAO works with departments to develop government-wide human resource strategies and policy frameworks in a variety of human resource functional areas to support departments in achieving their business plan goals. PAO is also responsible for the delivery of specific services which are considered corporate strategic services.

ALBERTA LABOUR RELATIONS BOARD

The Alberta Labour Relations Board is a quasi-judicial body responsible for the application and interpretation of the *Labor Relations Code*, the *Public Service Employee Relations Act* and the *Police Officers Collective Bargaining Act*. Both the Minister and Deputy Minister maintain an "arms-length" relationship with the Board.

WORKERS' COMPENSATION BOARD (WCB)

The Workers' Compensation Board (WCB) is an employer-funded organization providing employers and workers with efficient and affordable disability and liability insurance. The WCB is an independent, board-governed organization operating under the *Workers' Compensation Act*.

APPEALS COMMISSION, WORKERS' COMPENSATION ACT

The Commission operates at arms length from the Workers' Compensation Board and government. It provides an independent appeals process for workers and employers.

COUNCIL ON WORKPLACE SAFETY

The Council on Workplace Safety was established to oversee the current regulatory review processes, examine issues and make recommendations to ensure Alberta's regulatory framework is effective in reducing work place injuries and illnesses.

EMPLOYABILITY COUNCIL

The Employability Council was established in November 1999. It provides advice to the Minister on enhancing employment opportunities for persons with disabilities. The membership of the committee includes persons with disabilities, employers and association representatives.

COUNCIL ON PROFESSIONS AND OCCUPATIONS

The Council on Professions and Occupations advises and assists the Minister with the policies governing, and administering the legislation relating to professions and occupations in Alberta.

OCCUPATIONAL HEALTH AND SAFETY COUNCIL

The Occupational Health and Safety Council is composed of public, employer, and worker representatives and advises the Minister on matters pertaining to the health and safety of Alberta workplaces. The Council also hears appeals of orders given by Occupational Health and Safety Officers.

Alberta Human Resources and Employment

departmental highlights

1999 | 2000

Alberta Youth Employment Strategy

In June 1999, the Ministers of Alberta Human Resources and Employment and Alberta Learning announced the Alberta Youth Employment Strategy to ensure young Albertans are able to contribute to, and take advantage of, the social and economic opportunities of the future. As part of this framework for action, Youth Connections helped over 28,000 Albertans improve their employment prospects in 1999/2000. During this period, over 2,500 businesses offered mentoring, work experience, job shadowing and other employment opportunities to youth. Launched in 1997, Youth Connections nearly doubled its original 1999/2000 expansion targets of 13 new sites, opening 21 additional sites.

Labour Market Programs

The department contributed to the Alberta Advantage through programming that builds a skilled and competitive workforce. Through a province-wide network of regional offices, over 42,000 Albertans participated in labour market programs that resulted in over 72 per cent of participants being successfully employed after their participation.

Alberta Learning Information Service (ALIS)

Over 394,000 users visited the Alberta Learning Information Service (ALIS) (www.alis.gov.ab.ca) website to obtain career, learning and employment information. The website features articles on career, learning or employment topics under "Tip of the Week", on-line career planning tools, electronic student loan application service, information on new scholarships, updated Alberta post-secondary education programs, occupational descriptions, employment and workplace links. The department also assisted Albertans in obtaining career, workplace and labour market information by developing, publishing, and distributing more than 677,000 information products.

Career Information Hotline

The Career Information Hotline responded to 37,000 requests for career, training and labour market information, referrals and consultative services. In addition, the Job Order Bank Service (JOBS) processed more than 44,000 job orders from Alberta employers.

Alberta's Minimum Wage

In response to the Alberta Growth Summit and public consultations, Alberta's minimum wage was increased twice last year to $5.90. The increase to the minimum wage reflected increases to other economic indicators such as the consumer price index, average weekly earnings and the gross domestic product. A separate minimum wage for students was also eliminated. Now, all workers, regardless of age, receive one minimum wage.

Employment Standards

A new partnership was formed with the Alberta Restaurant and Food Services Association to enhance the industry's overall compliance with the Employment Standards Code. This partnership arrangement is the first of its kind in Canada and will provide the department with an opportunity to educate the industry and ensure that employees are being treated fairly in the workplace.

The department's Employment Standard's Compliance Program continued to target chronic violators of the Employment Standards Code. Five prosecutions were initiated against employers in 1999/2000.

Labour Relations

The department continued to provide support to industry partners through facilitation, mediation and information sharing to help maintain Alberta's stable labour relations climate. Relationship building initiatives were successfully completed with the County of Strathcona and the Alberta Union of Provincial Employees; the Town of Taber and its unions; the City of St. Albert and the Firefighters Union; and the Building Trades Council and the Construction Labour Relations Association at Nova's Joffre site and Suncor and Syncrude in Fort McMurray. Through these and other initiatives, Alberta's rate of person-days lost to work stoppages was the second lowest in Canada.

Mediation

Provincially appointed mediators played a key role in helping clients in health care, education and other sectors reach mediated settlements. Of the 435 collective agreements that expired in 1999/2000, 107 (25 per cent) required the assistance of provincially appointed mediators. Ninety per cent of the mediated cases were resolved without job action.

Workplace Health and Safety Programs

Alberta had the lowest lost-time claim rate ever recorded in the province related to employee occupational injury and disease. This reduction is due, in part, to our partnerships with industry to expand certified workplace health and safety programs and the department's strategic compliance programs that targeted industries with uncontrolled hazards.

Labour Mobility

Alberta continued to lead changes to ensure that workers qualified for any occupation in any jurisdiction in Canada have access to employment opportunities. Through the Labour Mobility Chapter of the Agreement on Internal Trade, over 75 per cent of Alberta's regulated professions have, or are in the process of developing, mutual recognition agreements with other jurisdictions.

Assured Income for the Severely Handicapped Program (AISH)

Approximately 25,000 Albertans receiving Assured Income for the Severely Handicapped (AISH) saw an increase in their benefits. AISH benefit levels increased to a maximum of $855 per month from $823 per month (this includes a $5 drug plan co-payment). An asset limit of $100,000 was also introduced to ensure the program supports those who truly need it. Under the Supports for Independence program, Assured Support clients saw an increase of $58 to their monthly benefits. AISH and Assured Support recipients are now eligible to participate in employment programs without losing their benefits and will receive extended medical benefits when they leave assistance to go to work.

Alberta Child Health Benefit Program

The Alberta Child Health Benefit was expanded by introducing higher qualification levels for families with more children. In 1999/2000, 53,500 children received coverage for dental care, optical services, drug prescriptions, emergency ambulance services and essential diabetic supplies. This initiative helps low-income families remain in the workforce and ensures that children of low-income families are healthy.

Dependent Adults Act

The *Dependent Adults Act* was amended to allow an individual who resides outside of the province to be a guardian for a dependent adult who resides in Alberta. This change ensures the most appropriate individual is able to represent the needs of a dependent adult. The department also streamlined the guardianship process, making it easier for individuals to obtain guardianship or have their guardianship order reviewed.

Minister's Employability Council

In November 1999, the Minister's Employability Council was formed to explore ways to enhance employment opportunities for persons with disabilities.

Premier's Awards of Excellence

Alberta Human Resources and Employment employees continued to demonstrate leadership in the public service by finding innovative ways to improve service to Albertans. The following two teams were Silver recipients in the Premier's Awards of Excellence:

- The Employment Standards Consolidated Telephone Unit's recommendations resulted in a consolidated telephone system in Edmonton that provides employees and employers with easy access to employment standards information
- The Alberta Child Health Benefit Implementation Team was responsible for designing, developing and implementing a program that provides extended health benefits to children in low-income families

Personnel Administration Office

highlights

1999 | 2000

Highlights for 1999/2000 business plan year for the Personnel Administration Office (PAO) include the following:

Corporate Human Resource Development Strategy

The Corporate Human Resource Development Strategy was a cross-government priority for the second year in a row. PAO provided leadership and coordination for the development of the strategy and worked with departments on implementing initiatives. The strategy is part of the overall Corporate Human Resource Plan which is updated annually in conjunction with departments and approved by Deputy Ministers. It addresses priority areas for human resource management in the Alberta public service.

Building Your Future Symposium

A one-day *Building Your Future* symposium was held in December, followed by a half-day knowledge fair available to all employees. The knowledge fair provided a number of information and demonstration booths on topics related to learning and leadership development. The virtual knowledge fair (www.gov.ab.ca/pao/employee/knowledge-fair/frameset.htm) was established to provide employees with on-line access to the same learning and leadership development resources.

Career Management

A *Career Management Guide* was developed as a four-part series for employees to assist them with self-directed career planning.

Employee Satisfaction

Each year a survey is conducted that collects data on core measures of employee satisfaction. Results for 1999/2000 included:

- 81 per cent of employees report that they understand how their work contributes to their department's business plan, a 4 per cent increase from 1997/1998
- 80 per cent of employees are satisfied with their employment in the Alberta public service, a 12 per cent increase since 1997/1998

Leadership Continuity Strategies

Most departments are in the process of implementing their leadership continuity strategies that are designed to address issues such as an aging workforce and overall recruitment and retention in the public service. In 1999/2000, there were over 400 developmental moves reported for executive managers and managers within the public service.

Work Experience, Co-op and Internship Programs

The public service continues to demonstrate strong support for work experience, co-op and internship programs through the 529 placements that were reported. These placements are part of our strategy to market the public service as an attractive employer and provide a variety of opportunities for young people making the transition from school to work.

Wage Opener Negotiations

Negotiations were successfully completed on the wage opener with the Alberta Union of Provincial Employees including extending the term of the agreement by one year to September 2001.

the people & workplace department

Alberta Human Resources and Employment

vision, mission and core business

vision, mission and core business

Department of Alberta Human Resources and Employment

vision, mission and core business

april 1, 1999 - march 31, 2000

Alberta Human Resources and Employment is a new Ministry, established in May 1999. The Ministry incorporates parts of the former Ministries of Advanced Education and Career Development, Alberta Labour, and Family and Social Services.

Although each of those Ministries had business plans approved by Standing Policy Committee for this fiscal year, the business plans were amalgamated to reflect the new Alberta Human Resources and Employment Ministry.

As required by the *Alberta Government Accountability Act*, the department of Alberta Human Resources and Employment completed a new business plan for the 1999-2000 fiscal year that integrated content from each of the three earlier business plans. The business plan included a new vision, mission, values and core business.

VISION

Alberta's people, communities and workplaces are safe, healthy, responsible and productive.

MISSION STATEMENT

Alberta Human Resources and Employment contributes to the Alberta Advantage by working with partners to:

- Assist Albertans to reach their full potential in society and the economy
- Foster safe, fair, productive, innovative workplaces
- Support those in need

VALUES

We are committed to:

- High standards and ethics
- Quality, client-focused services
- Valuing our staff
- Achieving excellence in everything we do
- Being proactive and accountable for actions and results
- Providing appropriate leadership

Our staff are:

- Skilled and knowledgeable
- Empowered to act
- Respected and valued
- Encouraged to reach their full potential
- Innovative and creative

Our services are:

- Focused on serving people
- Accessible, responsive, relevant, affordable and effective
- Respectful of all individuals and cultures, communities and partners

Our operations are:

- Open, collaborative, and accountable
- Interdependent
- Focused on the future

CORE BUSINESSES

The department works to achieve its vision and mission through its core businesses:

Supporting Albertans in achieving and maintaining economic independence

- Helping people plan their careers
- Helping people become more employable
- Providing people with loans and grants to achieve their career ambitions
- Helping people obtain and maintain employment

Supporting Alberta's workers and employers in creating safe, fair, healthy and productive workplaces

- Promoting the development of effective worksite health and safety management systems and compliance programs
- Supporting fair and effective resolution of labour disputes and workplace issues
- Promoting fair and effective employment standards protection for employers and employees

Supporting Albertans in need

- Providing people with income or supplements to meet their basic needs
- Providing people with benefits and services that help them achieve or maintain financial independence
- Providing guardianship services or facilitating alternative surrogate decision-making mechanisms for dependent adults in need of protection

Report of the Auditor General On the Results of Applying Specified Auditing Procedures To Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Human Resources and Employment's performance measures included in the *1999-2000 Annual Report of the Ministry of Human Resources and Employment* as presented on pages 25 to 56.

Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

The calculations which converted source information into reported measures were tested.

The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the set of performance measures and therefore I express no opinion on the set of performance measures included in the *1999-2000 Annual Report of the, Ministry of Human Resources and Employment.*

Peter Valentine

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
August 16, 2000

Department of Alberta Human Resources and Employment

results analysis

goals, measures, results

---

core business

Supporting Albertans in achieving and maintaining economic independence

Maintaining Alberta's advantage in the global economy through the continued development of a skilled competitive work force remains a key strategy for Alberta Human Resources and Employment. The department is working to ensure Albertans are economically independent and able to achieve their career ambitions by providing career planning, training opportunities, short-term financial assistance and employment information and services.

[illegible] **Enable Albertans to reach their full potential and achieve self-sufficiency in the workforce**

STRATEGIES

- Under the Labour Market Development Agreement, continue to provide programs and services needed by unemployed Albertans seeking to join the workforce
- Rationalize program delivery and ensure effective and affordable client service through a network of co-located offices with Human Resources Development Canada
- Redesign labour market programs and delivery systems to improve their efficiency and responsiveness to integrating Supports for Independence clients into the workforce
- Improve programs and services for those with special needs, including financial assistance available to those working in marginal employment who may wish to pursue further learning on a part-time basis
- Lead changes to provide interprovincial mobility of workers as committed to in the *Labour Mobility Chapter of the Agreement on Internal Trade*

Description of Programs:

Job Placement *services are designed to match unemployed, job-ready Albertans with employers needing to fill jobs.*

Self Employment *provides formal instruction in business plan development, one-to-one business counseling, coaching, and guidance during business plan implementation.*

Skills for Work *provides clients with a combination of life management skills, occupational training, academic upgrading and work experience needed for jobs in demand.*

Training on the Job *helps Albertans gain on-the-job experience and training in jobs that are in demand.*

Skills Development Program *provides clients with access to basic foundation skills programs, apprenticeship programs, skills training or integrated training from approved public or private training providers.*

RESULTS

Labour market employment/training programs and services help unemployed Albertans as well as other eligible Albertans acquire the skills they need to prepare for and obtain employment. In December 1996, Alberta signed the Labour Market Development Agreement with the federal government and assumed responsibility for the design and delivery of employment/training programs and services to Employment Insurance (EI) clients in addition to other eligible Albertans.

During the past year, over 42,000 Albertans participated in Job Placement, Self-Employment, Skills for Work, Training on the Job, Skills Training, and Basic Foundation Skill Training interventions. Follow-up surveys show that 72 per cent of program participants found employment after participating in the programs. The province's efforts to return EI clients to work resulted in savings of over $110 million to the Employment Insurance account*.

The department provided an additional 4,800 individuals with work experience through the Summer Temporary Employment Program (STEP). This program provides seasonal wage assistance to not-for-profit employers.

Special employment and training responses were designed to assist those with particular needs, (e.g., youth, the disabled, aboriginal clients), or those relying on government income assistance (e.g., Supports for Independence (SFI), Assured Income for the Severely Handicapped (AISH)). The responses include broadened eligibility criteria for some programs, part-time as well as full-time employment and training opportunities, and introduction of graduated entry into programming where necessary.

A Minister's Employability Council was established in November 1999. This new committee, which includes persons with disabilities, employers and association representatives, provides advice to the Minister on enhancing employment opportunities for persons with disabilities.

Alberta continues to ensure workers have access to employment opportunities in other jurisdictions across Canada. Over 75 per cent of Alberta's regulated professions have, or are in the process of developing, mutual recognition agreements with regulators in other jurisdictions, through the *Labour Mobility Chapter of the Agreement on Internal Trade*.

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* These results are preliminary estimates and subject to revision by Human Resources Development Canada.

PERFORMANCE MEASURES

Labour market employment/training programs and Job Placement provide clients with the skills necessary to quickly re-enter the workforce. These programs are usually one year or less in duration.

Performance Measure 1.1
Number of learners participating in employment/training programs and job placement and overall employment results of participants

	1998/99		1999/2000	
	Number of Participants	Percent Employed	Number of Participants	Percent Employed
Job Placement	10,490	69%	6,547	71%
Self-Employment	1,021	62%	1,780	87%
Skills for Work	6,607	66%	5,471**	61%
Training on the Job	1,808	Not available*	1,948	65%
Skills Development -				
Short Term Skills - (non-Apprentices)	7,153	80%	4,155	75%
Apprentices	6,938	94%	8,115	94%***
Basic Foundation Skills Training	14,082	61%	14,150	62%
All Programs and Job Placement****	48,099	71%	42,166	72%[1]
		70% (target)	49,000 (forecast)	70% (target)

Notes:[2] * The employment results for the Training on the Job program was not available for 1998/99, as this was a transitional year for the program.
** In 1998/99, Employment Alternatives Program (EAP) and the Enhanced Employment Alternatives Program (EEAP) clients were added to the total number of Skills for Work participants. This year, the 801 EAP and EEAP clients have not been included. Program participants will be phased into the Skills for Work program, as EAP and EEAP are phased out.
***The results are based on a biennial survey conducted in the 1998/99 fiscal year.
**** The numbers of learners are not comparable between years as the definition of 'participant' has been refined from clients "accepted" into the initiatives to clients "started" in the initiatives.
Sources: Alberta Learning, Graduates of Apprenticeship Satisfaction Survey, 1999; Alberta Human Resources and Employment, Work Outcome Reporting Project (WORP); Alberta Learning, Students Finance System Reports; Career Assistance Information System (CAIS), Clients in Training Program with Follow-up Outcomes; Human Resources Development Canada, HRDC/AECD April 2000 Results Dataset Analysis.

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[1] This is a weighted average (based on the number of participants in these initiatives) of the employment results of all programs and Job Placement.

[2] **Further notes:** Alberta Learning: Graduates of Apprenticeship Satisfaction Survey, 1999. Results are based on 3,141 telephone interviews with graduates. Alberta Human Resources and Employment. Work Outcome Reporting Project (WORP). This is a census survey of all Short Term Skills (non-Apprentices) and Basic Foundation Skills Training program leavers who are followed up by an independent contractor at either three months (LMDA clients) or six months after leaving the program. This is an on-going project. Data presented include follow-up data as at March 31, 2000 (total of 2,502 respondents); Alberta Human Resources and Employment. Career Assistance Information System (CAIS), Clients in Job Placement, Self Employment, Skills for Work and Training on the Job Programs. Employment results for these programs are reported by contracted agencies.

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ANALYSIS

The overall employment results of participants who left employment/training programs and job placement exceeded the departmental target. Employment results of programs vary as some individuals may be referred to other, more appropriate interventions while others go on to further training (e.g., those completing Basic Foundation Skills Training). Employment outcomes may vary between years, depending on the types of clients entering the programs and the difficulties they face in obtaining work. For example, Employment Insurance (EI) clients have more recent work histories that help their return to the labour market.

Fewer individuals participated in employment and training programs and Job Placement in 1999/2000. The decline in individuals requiring additional training to re-enter the workforce is due in part to Alberta's favourable economy and low unemployment rate. Decreased enrollment in programs for the most job-ready clients, e.g., Job Placement and Short-Term Skills Training (non-Apprentices), is consistent with the premise that clients with previous work experience can successfully maintain or quickly regain employment without further intervention in good economic conditions.

Alberta Human Resources and Employment provides learners with financial assistance to pursue training. Individuals who are enrolled in an approved program, and have financial need, may be eligible for financial assistance. EI-eligible clients may receive Alberta Student Loans and/or grants, while non-EI clients receive grant funding for upgrading programs.

Performance Measure 1.2
Total number of learners awarded financial assistance to attend employment/training programs and the total amount (dollars) awarded

	1997/98*		1998/99		1999/2000 (Forecast)		1999/2000 (Actual)	
	# of Learners Receiving Financial Assistance Total Dollars	Awarded (millions)	# of Learners Receiving Financial Assistance	Total Dollars Awarded (millions)	# of Learners Receiving Financial Assistance	Total Dollars Awarded (millions)	# of Learners Receiving Financial Assistance	Total Dollars Awarded (millions)
Skills Development Training Grant (non-LMDA)	10,882	$81.5	11,493	$89.0	12,500	$93.6	12,531	$104.5
Skills Development Training (LMDA)								
Alberta Student Loan	693	$0.8	2,949	$3.5	3,000	$3.6	3,041	$4.6
Grant	1,118	$4.6	6,503	$40.6	7,000	$37.0	6,446	$44.0

Notes: * The Labour Market Development Agreement (LMDA) was implemented in November 1997. The number of funded LMDA learners is low for 1997/98 as it represents a partial year.
Source: Alberta Learning, Students Finance Reports.

ANALYSIS

A similar number of EI-eligible Labour Market Development Agreement (LMDA) learners were awarded financial assistance for Skills Development training in 1999/2000 compared to the previous year. The number of non-LMDA clients awarded grants to attend academic upgrading programs increased approximately nine per cent.

The average loan and/or grant award per learner has increased as a result of higher financial need, longer duration of funding in programs, and higher tuition costs (e.g., computer training).

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[illegible]

Improve the knowledge and skills of Alberta youth in relation to employability and the transitions between learning and work

STRATEGIES

- Improve information and counseling for high school students on career and learning opportunities and financial assistance programs
- Develop partnerships with Alberta Learning to provide parents with information and advice related to financing their children's future education costs
- In partnership with Alberta Learning, support career transition partnerships and initiatives
- Expand the Youth Connections Program to provide young adults with opportunities to connect with promising careers
- Establish local co-ordination mechanisms to implement Alberta's Youth Employment Strategy
- Introduce case management strategies for clients requiring financial assistance to pursue further training, and to support effective career planning and decision-making

RESULTS

Alberta's ongoing prosperity and quality of life depend on the development of its young people and their participation in the workforce. In June 1999, the Alberta Youth Employment Strategy was announced by the ministers of Alberta Human Resources and Employment and Alberta Learning. This framework for action will assist Alberta's youth, ages 16 to 24, to take advantage of economic and educational opportunities, and make appropriate connections between learning and work. The many successes include:

- Developing community-based partnerships with 24 school districts, as well as numerous businesses and industry partners
- Presenting the first national Employers of Youth Awards, a federal/provincial initiative, to Alberta companies who demonstrated outstanding contributions to the development of youth
- Expanding the highly successful Youth Connections Program from 2 sites to 23 sites. This program helps young people who have entered the workforce directly from high school, make a connection to promising careers
- Coordinating efforts with service providers throughout Alberta to help over 28,000 youth become better equipped to make career choices
- Partnering with more than 2,500 Alberta businesses to provide mentoring, work experience, job shadowing and other employment opportunities for youth

- Introducing new features to the Alberta Learning Information Service (ALIS) website, which provides electronic access to information about career, learning and employment services in the province through the World Wide Web

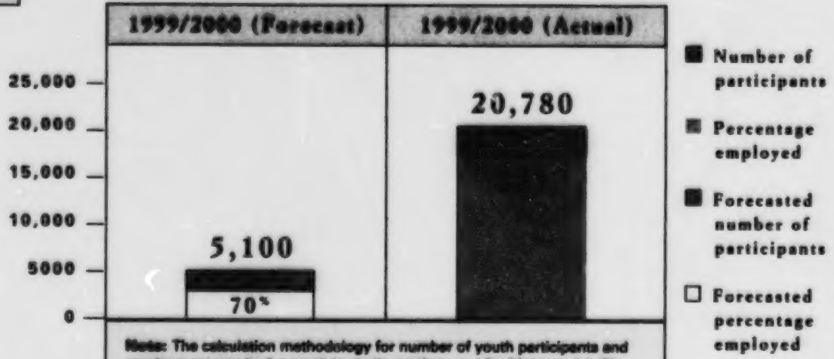
The department continues to educate youth and other Albertans about career planning through printed publications (such as *Money 101* and *It's About Time*), on-line materials, and workshops. For example, workshops for students and parents were held in several regions to provide information regarding financing education costs.

PERFORMANCE MEASURES

The department's employment and training programs provide youth with the knowledge and skills necessary to obtain and maintain employment.

New Measure

Performance Measure 2.1
Number of youth participating in employment/training programs and employment rate of participants



Note: The calculation methodology for number of youth participants and employment results for youth is similar to that used for Measure 1.1. The employment result is a weighted average based on the population of youths in the initiatives.
Source: Number of participants: Alberta Human Resources and Employment Career Assistance Information System (CAIS), Demographics: Clients in Training Program with Follow-up Outcomes; Human Resources Development Canada. HRDC/AECD April 2000 Results Dataset Analysis. Alberta Learning. Students Finance System Reports.
Employment rates[3]: Alberta Learning. Graduates of Apprenticeship Satisfaction Survey, 1999; Alberta Human Resources and Employment. Work Outcome Reporting Project (WORP); Career Assistance Information System (CAIS), Demographics: Clients in Training Program with Follow-up Outcomes.

ANALYSIS

More youth than expected participated in employment and training programs, and their employment results upon leaving the intervention exceeded the target. These results are among the many achievements of the Alberta Youth Employment Strategy. The percentage of youth employed (82 per cent) after leaving employment and training programs is higher than that for participants overall (72 per cent). These results show that given the opportunity to acquire the skills they need to enter the work force, young people will be successful in obtaining employment.

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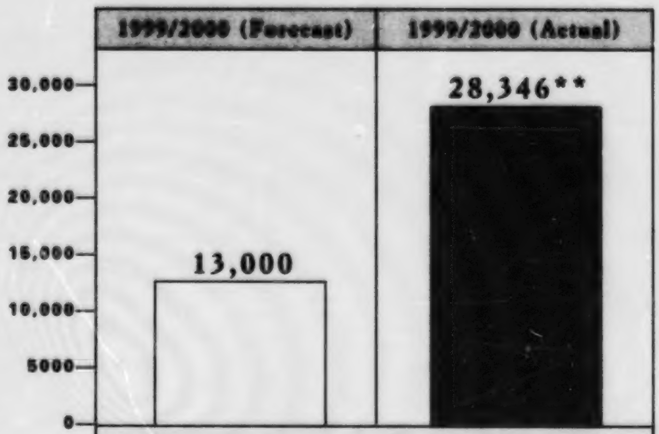
[3] **Notes:** Alberta Learning: Graduates of Apprenticeship Satisfaction Survey, 1999. Based on 3,141 telephone interviews with graduates completed in 1999. The results are based on a biennial survey conducted in the 1998/99 fiscal year. Alberta Human Resources and Employment. Work Outcome Reporting Project (WORP). This is a census survey of all Short Term Skills (non-Apprentices) and Basic Foundation Skills Training Program participants who are followed up by an independent contractor at either three months (LMDA clients) or six months after leaving the program. This is an ongoing project. Data presented include follow-up data as at March 31, 2000 (total of 717 youth respondents).

Performance Measure 2.2
Career and labour market information and services provided to youth: Youth Connections contracted site visits*

New Measure



Notes: * Youth Connections contracted site visits include: Airdrie, High River, Banff, Canmore, Calgary, Hanna, Provost, Drumheller, Red Deer, Lethbridge, Medicine Hat, Camrose, Edmonton, Ft. McMurray, Grande Prairie, Peace River, High Level, High Prairie, Slave Lake, Strathmore, and Vegreville. It does not include visits to the newest sites at Pincher Creek and Rocky Mountain House.

** This represents the minimum number of reported site visits.

Source: Alberta Human Resources and Employment, Career Assistance Information System (CAIS).

ANALYSIS

The number of youth accessing services and information through Youth Connections contracted sites exceeded expectations. Eight more Youth Connections sites than the original expectation of 15 sites were established, providing additional opportunities for youth to access these services. The high degree of enthusiasm for this initiative at the community level has allowed for increased access while containing operational costs.

PERFORMANCE MEASURES

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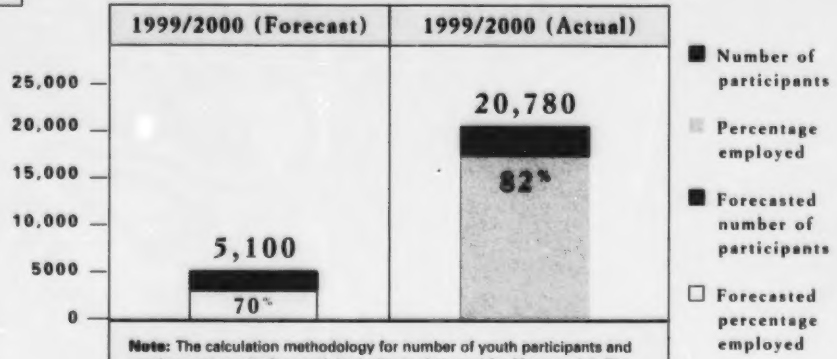

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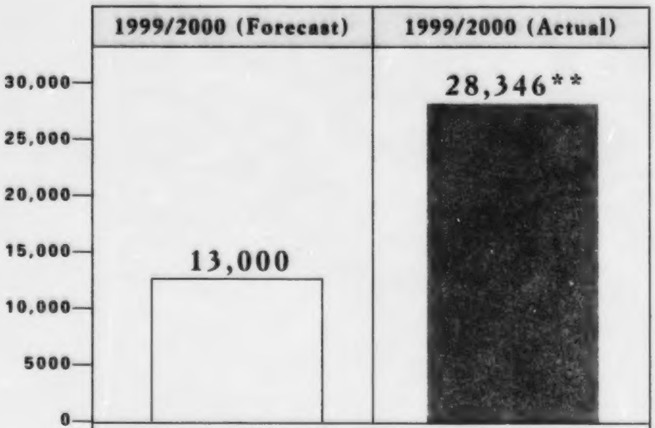

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[illegible]

A skilled, competitive Alberta workforce

STRATEGIES

- Introduce case management strategies for clients requiring financial assistance to pursue further training, to support effective career planning and decision-making, including providing financial supports that lead to employment
- In partnership with Alberta Learning, expand the Alberta Learning Information Service (ALIS), a website providing information and services for all Albertans seeking learning, career or employment opportunities
- Continue to partner with business and industry to identify knowledge and skill requirements and facilitate human resource development

RESULTS

Career and Employment Assistance Services help people prepare for, find and maintain work. Services include labour market information, career assistance (e.g., career advising, group workshops), career consulting, assessment of work readiness, training needs, referral services and case management (i.e. assisting clients move through the transitions to employment). As Albertans become more knowledgeable about career and labour market opportunities, they are better able to assess their skills and interests, build a career plan, and connect to further learning and employment.

To ensure Albertans have access to the most current information, the Alberta Learning Information Service (ALIS) website was enhanced, in partnership with Alberta Learning, to include:

- On-line student loan application
- More postings of publications and other information
- Links to career planning tools
- "Tip of the Week" that provides concise information on a variety of career, learning and employment topics
- Current information on more than 500 Alberta occupational profiles

In addition, the department enhanced Albertans' abilities to make better choices through:

- Distributing over 677,000 career-related products. Career-related products include publications, posters, videos, audio tapes and other career planning materials
- Processing and displaying more than 44,000 job orders through the Canada-Alberta Job Order Bank Service (JOBS). Job opportunities are posted in JOBS kiosks throughout Alberta, on the Internet, and recorded employment tele-messages. This service is national in scope and is available in both official languages

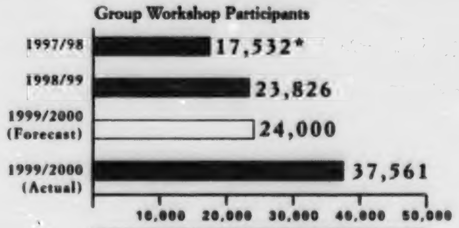
Alberta Human Resources and Employment continues to collaborate with business and industry to obtain information about the present and future skills needed in Alberta, and to design programs and services to meet these needs. Province-wide partnerships include the Alberta Food Processors Association; the Alberta Tourism Education Council; the Information, Communications and Electronics Technologies Alliance; the Conference Board of Canada; Employability Skills Forum and the Alberta Chambers of Commerce.

PERFORMANCE MEASURES

Career consulting and information services are provided at local centres throughout the province, through a toll-free telephone information and referral service (the Career Information Hotline) as well as on-line resources. Career development workshops for clients are offered in career planning, educational planning, self-development, job search and labour market information.

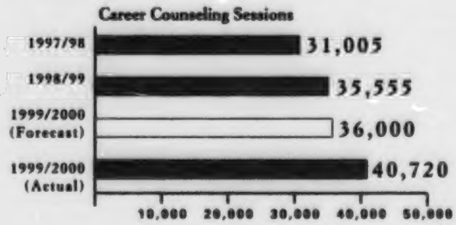
Performance Measure 3.1
Use of career and labour market information services*

Group Workshop Participants

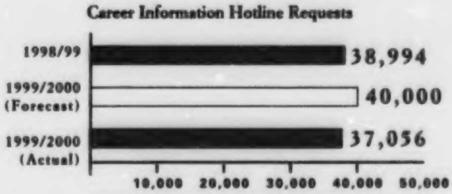


* The 1997/98 workshop participants count has been revised.

Career Counseling Sessions

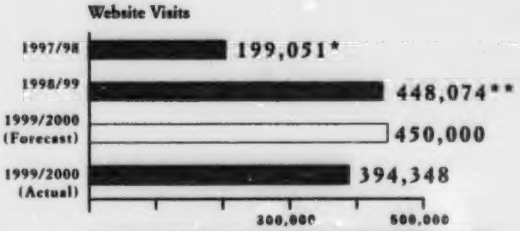


Career Information Hotline Requests



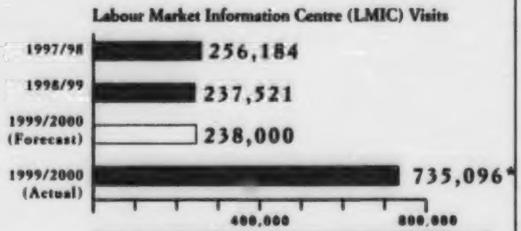
* Historical number has been revised based on changed counting methodology.

Website Visits



* The 1997/98 website number has been revised to include use of Job Order Bank.
** The career and labour market information website moved servers in early 1999. This move created a challenge for counting website visits and as a result some visits might have been counted more than once in 1998/99.

Labour Market Information Centre (LMIC) Visits



* The 1999/2000 LMIC number reflects better client awareness and more comprehensive reporting of visits to departmental LMIC's as well as visits and telephone calls to contracted sites.

Notes: * Counts include the number of visits and telephone calls to the Labour Market Information Centres, the Career Information Hotline and the number of participants in the Career Counseling/Planning Sessions and Workshops for each delivery centre and the number of user sessions on ALIS Website and associated databases.
Sources: Alberta Human Resources and Employment, Career Assistance Information System (CAIS); Annual Client Services Report: Information/Consulting; Web Trends TM Executive Summary Report.

ANALYSIS

Overall use of career and labour market information services has increased each year since 1997/1998. The additional responsibility emerging from the 1997 Labour Market Development Agreement has resulted in a broader client base. In addition, marketing of services has heightened Albertans' awareness of the many resources available.

PERFORMANCE MEASURES

Career consulting and information services are provided at local centres throughout the province, through a toll-free telephone information and referral service (the Career Information Hotline) as well as on-line resources. Career development workshops for clients are offered in career planning, educational planning, self-development, job search and labour market information.

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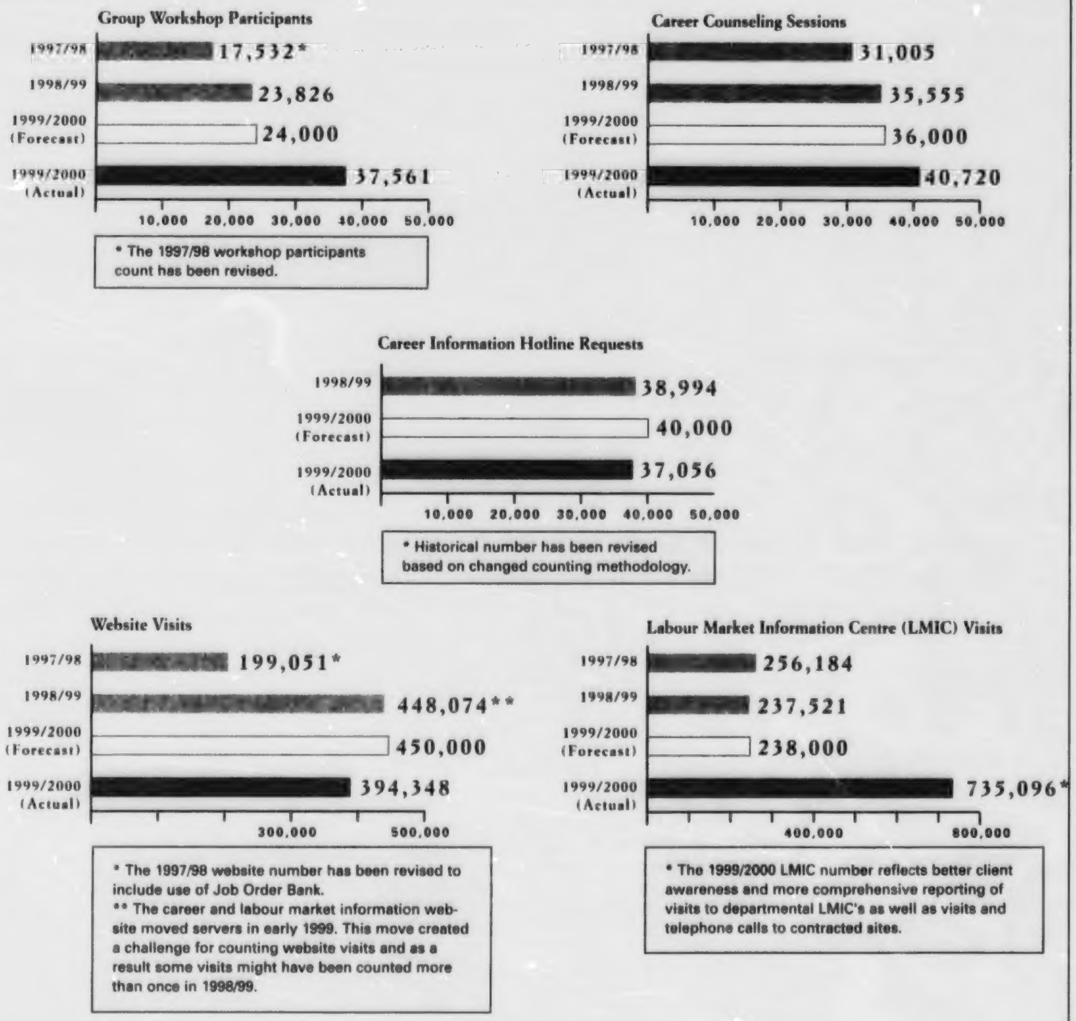

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Client satisfaction with labour market programs and selected services is an additional measure of the quality of services provided to individuals.

Performance Measure 3.2
Client satisfaction with employment/training programs, Career Information Hotline services, workshops, information development and marketing

	1997/98	1998/99	1999/2000	
Employment/Training Programs and Job Placement	information is not reported in annual report in this year	91%*	92%*	
Career Information Hotline	87%	n/a	95%	
Career development workshops	98%	90%	88%**	
Customer satisfaction with information materials and tools	95%	n/a	96%	
Overall client Satisfaction	-	-	85% Target	92%[4] Actual

Note:[5] * This number is a weighted average based on volume counts from Measure 1.1.
** The current study to measure client satisfaction with career development workshops used an externally administered survey procedure. Therefore, these results are not fully comparable to previous years.
Sources: Alberta Human Resources and Employment: Client Satisfaction with Careers and Labour Market Information and Services; A Customer Services and Satisfaction Survey of Career Information Hotline Clients; Summary Report: 2000 CEAS Client Satisfaction Survey; Career Assistance Information System (CAIS); Work Outcomes Reporting Project (WORP).

ANALYSIS

Client satisfaction with department programs and services is high and exceeds the overall target of 85 per cent. In 1999/2000, 92 per cent of surveyed clients indicated they were satisfied with the labour market programs, services or information the department provided.

The satisfaction results achieved each year are related to the types of clients accessing the programs and their ability to obtain work. Improvements in the method(s) used to assess satisfaction yielded results that are not fully comparable to previous years.

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[4] This is a weighted average based on volume counts described in Performance Measure 3.1 and Career and Labour Market Information's current mailing list.

[5] **Further notes:** Alberta Human Resources and Employment. Client Satisfaction with Careers and Labour Market Information and Services (2000). A total of 310 career practitioners completed this biennial survey either through self-completed questionnaires or telephone interviews. An independent contractor contacted these respondents about their satisfaction with information and services received during the past year.
Alberta Human Resources and Employment. Summary Report: 2000 CEAS Client Satisfaction Survey. An independent contractor conducted this telephone survey from January to March 2000. The 1,422 former clients involved in this survey were asked about various services.
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Alberta Human Resources and Employment. Work Outcome Reporting Project (WORP). This is a census survey of all Short Term Skills (non-Apprentices) and Basic Foundation Skills Training program leavers who are followed up by an independent contractor at either three months (LMDA clients) or six months after leaving the program. This is an on-going project. Data presented include follow-up data on the question regarding overall satisfaction with the program (Total of 1324 respondents).

Client satisfaction with labour market programs and selected services is an additional measure of the quality of services provided to individuals.

Performance Measure 3.2
Client satisfaction with employment/training programs, Career Information Hotline services, workshops, information development and marketing

	1997/98	1998/99	1999/2000	
Employment/Training Programs and Job Placement	information is not reported in annual report in this year	91%*	92%*	
Career Information Hotline	87%	n/a	95%	
Career development workshops	98%	90%	88%**	
Customer satisfaction with information materials and tools	95%	n/a	96%	
Overall client Satisfaction	-	-	85% Target	92%[4] Actual

Note:[5] * This number is a weighted average based on volume counts from Measure 1.1.
** The current study to measure client satisfaction with career development workshops used an externally administered survey procedure. Therefore, these results are not fully comparable to previous years.
Sources: Alberta Human Resources and Employment: Client Satisfaction with Careers and Labour Market Information and Services; A Customer Services and Satisfaction Survey of Career Information Hotline Clients; Summary Report: 2000 CEAS Client Satisfaction Survey; Career Assistance Information System (CAIS); Work Outcomes Reporting Project (WORP).

ANALYSIS

Client satisfaction with department programs and services is high and exceeds the overall target of 85 per cent. In 1999/2000, 92 per cent of surveyed clients indicated they were satisfied with the labour market programs, services or information the department provided.

The satisfaction results achieved each year are related to the types of clients accessing the programs and their ability to obtain work. Improvements in the method(s) used to assess satisfaction yielded results that are not fully comparable to previous years.

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[4] This is a weighted average based on volume counts described in Performance Measure 3.1 and Career and Labour Market Information's current mailing list.

[5] **Further notes:** Alberta Human Resources and Employment. Client Satisfaction with Careers and Labour Market Information and Services (2000). A total of 310 career practitioners completed this biennial survey either through self-completed questionnaires or telephone interviews. An independent contractor contacted these respondents about their satisfaction with information and services received during the past year.
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core business

Supporting Alberta's workers and employers in creating safe, fair, healthy and productive workplaces

The department helps employers nurture a workplace climate that focuses on innovation, productivity and excellence. This is accomplished by promoting the development of effective work site health and safety management systems and compliance programs, supporting fair and effective resolution of labour disputes and workplace issues, and promoting fair and effective employment standards protection for employers and employees.

Goal 1 Safe and Healthy Workplaces

STRATEGIES

- Promote a preventive approach to workplace health and safety by working with industry partners to encourage employers and workers to build effective health and safety programs
- Provide compliance programs targeting poor health and safety performers and uncontrolled hazards
- Respond promptly to workplace complaints and provide advice and recommendations to customers to enable them to address health and safety issues
- Work with industry groups and associations in the development of codes of practice, recommended practices, safe operating procedures and standards, identification and management of hazards and safety information
- Ensure legislation and regulations support meaningful and productive standards of practice. The review of health and safety regulations will be conducted from spring 1999 through 2002

RESULTS

Alberta's productivity remained high in 1999/2000 due in part to the department's continuing efforts to ensure a workplace climate that promotes fairness in the workplace, protects the health and safety of our workers, and fosters stable labour relations.

Reductions in employee injuries and disease were maintained in part to the development and implementation of effective health and safety systems and the department's compliance programs. Over 3,000 companies participated in the Partnerships in Health and Safety program, and about 350,000 Alberta workers are covered by certified health and safety programs. Through its focus on partnership and compliance, the department provides workers, employers and other groups with expertise and support to ensure safe and healthy workplaces for Albertans. In 1999, Alberta reported the lowest provincial lost-time claim rate ever recorded in the province.

Compliance efforts continued to target companies with poor health and safety performance. The department proactively addressed health and safety issues in Alberta in 1999/2000 with a 52 per cent increase in workplace health and safety inspections and over 100 per cent increase in workplace health and safety orders.

With the involvement of industry and standards-writing groups, the department produced 20 new information publications and revised 18 others in the past year. Both new and revised materials are posted on the department's Internet site. A health and safety awareness campaign for the welding industry was completed, and awareness campaigns related to falling from heights and first aid began and remain ongoing.

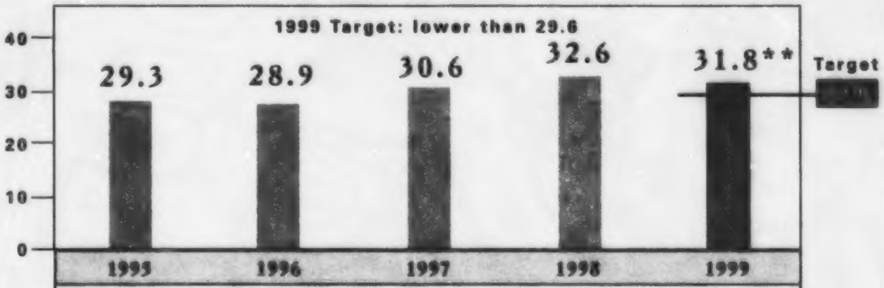
A review of workplace health and safety legislation and regulations was initiated to ensure clarity and to simplify government procedures. Consultation with industry and labour is ongoing and the comprehensive regulatory review will be completed by 2000.

PERFORMANCE MEASURES

The Workplace Climate Measure has two components: person-days lost due to injury or disease and person-days lost due to work stoppages (i.e. strikes and lockouts).

- The number of person-days lost due to injury or disease, expressed as a rate of the number of person-days worked, provides an indication of overall health and safety in the workplace. This measure incorporates the effects of claims incidence as well as duration and severity, but does not include fatality rates
- The number of person-days lost to work stoppages (strikes and lockouts) reflect labour stability in Alberta. The measure is restricted to unionized workplaces in Alberta. Alberta's reputation as a good place to work and to do business is partly dependent on its ability to nurture and sustain a high level of stability in union/employer relations

Performance Measure 4.1a
Workplace climate person-days lost to injury and disease:
Number of person-days lost to injury or disease per 10,000 person-days worked*



Notes: * Historical data has been revised based on population counts from the 1996 Census and as a result of changes to Statistics Canada's Labour Force Survey.
** The results for 1999 are preliminary and are subject to revision.

Performance Measure 4.1b
Interprovincial ranking of person-days lost to injury and disease*

1995	1996	1997	1998 (Target)	1998*** (Actual)
1st	1st	1st	3rd**	1st

Notes: * For interprovincial ranking, a ranking of one indicates the lowest rate of all provinces.
** Target: to be ranked among the 3 lowest of all provinces.
*** These rankings are reported one year after they are produced by Human Resources Development Canada

Sources: Workers' Compensation Board; Human Resources Development Canada; Statistics Canada, Labour Force Survey; Alberta Human Resources and Employment.

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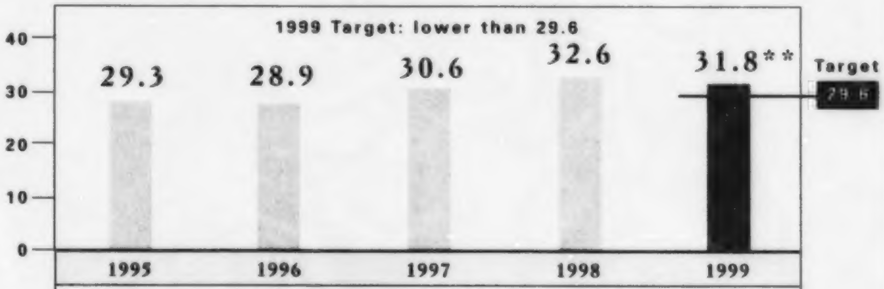

Notes: * Historical data has been revised based on population counts from the 1996 Census and as a result of changes to Statistics Canada's Labour Force Survey.
** The results for 1999 are preliminary and are subject to revision.

Performance Measure 4.1b
Interprovincial ranking of person-days lost to injury and disease*

1995	1996	1997	1998 (Target)	1998*** (Actual)
1st	1st	1st	3rd**	1st

Notes: * For interprovincial ranking, a ranking of one indicates the lowest rate of all provinces.
** Target: to be ranked among the 3 lowest of all provinces.
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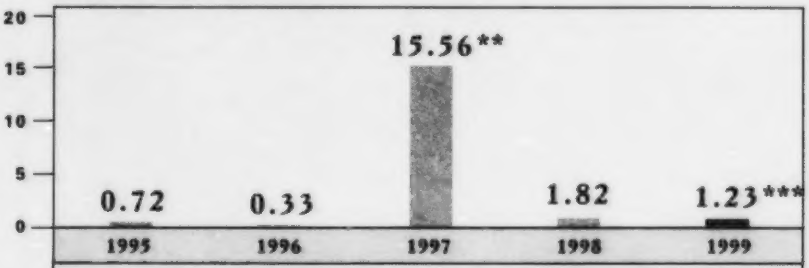
Sources: Workers' Compensation Board; Human Resources Development Canada; Statistics Canada, Labour Force Survey; Alberta Human Resources and Employment.

Performance Measure 4.1c
Person-days lost to work stoppages:
Number of person-days lost to work stoppages per 10,000 person-days worked*



Notes: * Historical data has been revised based on population counts from the 1996 Census and as a result of changes to Statistics Canada's Labour Force Survey.
** The 1997 number reflects the effect of the Canada Safeway strike.
*** The results for 1999 are preliminary and are subject to revision.

Performance Measure 4.1d
Interprovincial ranking of person-days lost to work stoppage*

1995	1996	1997	1998	1999 (Target)	1999 (Actual)
1st	2nd	9th	4th	3rd**	2nd

Notes: * For interprovincial ranking, a ranking of one indicates the lowest rate of all provinces.
** Target: to be ranked among the 3 lowest of all provinces.

Sources: Workers' Compensation Board; Human Resources Development Canada; Statistics Canada, Labour Force Survey; Alberta Human Resources and Employment.

ANALYSIS

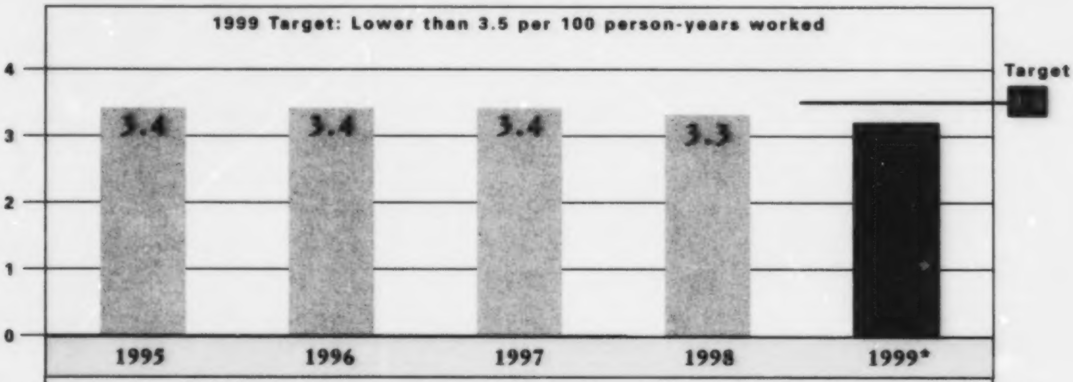
This rate of time lost owing to workplace injury and disease can be attributed to improvements in overall workplace health and safety, as well as better injury claims management by employers. Alberta's rate of time lost to workplace injury and disease remains the lowest in Canada.

Generally, Alberta's workplace stoppage rate is below Canada's overall average. In the 1999 calendar year, Alberta's rate of person-days lost to work stoppages per 10,000 person-days worked (1.23) was the second lowest in Canada and below the national rate of 7.84. This result exceeded our target for 1999/2000, that is, to be ranked among the three lowest provinces.

The Workplace Climate Measure is also a Government Measure, reported in *Measuring Up*. To avoid duplication, this measure will not be reported in the Ministry's future annual reports.

The lost-time claim rate provides an estimate of the probability, or risk, of disabling injury or disease to a worker during a period of one year's work. A lost-time claim occurs when a worker receives wage loss compensation for one or more days after the date of injury. The establishment of effective systems in occupational health and safety should be reflected in reductions in the incidence of lost-time claims relative to person-years worked.

Performance Measure 4.2 Lost-time claim rate: Number of lost-time claims per 100 person-years worked[6]



Note: * The results for 1999 are preliminary and subject to revision.
Source: Workers' Compensation Board.

ANALYSIS

Workplace health and safety in the province is improving. The lost-time claim rate of 3.2 per 100 person-years worked is the lowest ever recorded in the province. The continued reduction in lost-time claim rate since 1993 is a notable achievement as it occurred during a period of strong economic growth, a time when companies expand and recruit less experienced workers.

Although the rate may vary by sector and size of employer, the overall provincial lost-time claim rate has remained below the target of 3.5 per 100 person-years worked. Departmental initiatives such as working with key partners to foster the establishment of effective health and safety management systems among Alberta employers have contributed to the low rate. Other factors that affect the claim rate include economic conditions, industry activities, changing industrial processes and new workplace technology.

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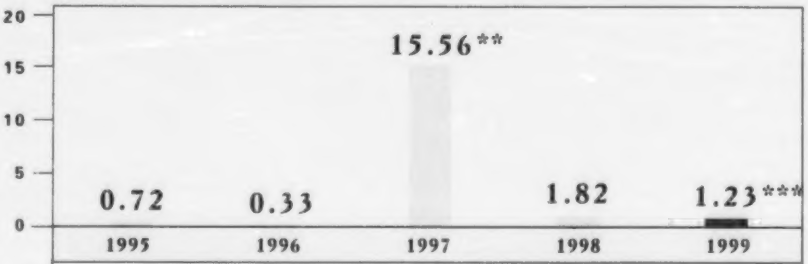
[6] **Note:** The Lost-Time Claim Rate is calculated as the ratio of WCB compensated lost-time claims to person-years worked. Claims are included in a calendar year if they were made within that year and compensated for by March 31 of the following year. Person-years are an estimate of those worked by employees with WCB coverage.

Performance Measure 4.1c
Person-days lost to work stoppages:
Number of person-days lost to work stoppages per 10,000 person-days worked*



Notes: * Historical data has been revised based on population counts from the 1996 Census and as a result of changes to Statistics Canada's Labour Force Survey.
** The 1997 number reflects the effect of the Canada Safeway strike.
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Performance Measure 4.1d
Interprovincial ranking of person-days lost to work stoppage*

1995	1996	1997	1998	1999 (Target)	1999 (Actual)
1st	2nd	9th	4th	3rd**	2nd

Notes: * For interprovincial ranking, a ranking of one indicates the lowest rate of all provinces.
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Sources: Workers' Compensation Board; Human Resources Development Canada; Statistics Canada, Labour Force Survey; Alberta Human Resources and Employment.

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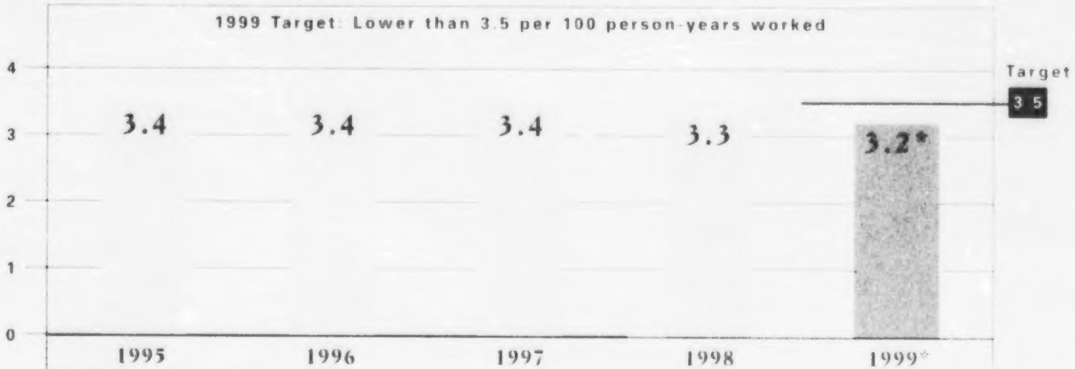

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[illegible]

Fair and balanced labour relations

STRATEGIES

- Provide strategic labour relations advice, information and options to the Ministry and its customers
- Monitor the effectiveness of Alberta's labour relations legislation and provide strategic policy analysis and advice in consultation with customers
- Build partnerships with, and among, customers to enhance constructive industry and workplace relationships, and promote innovations/best practices that increase the productivity and competitiveness of Alberta organizations
- Promote alternative dispute resolution approaches through consultation, relationship building, interest-based bargaining, and labour/management partnerships to enable labour and management to resolve issues without the need for third party intervention
- Provide impartial third-party mediation assistance, on request, to prevent and resolve labour disputes

RESULTS

The department continued to work with industry stakeholders to promote innovations/best practices to increase the workplace productivity and competitiveness of Alberta organizations. During the fiscal year, the department participated in numerous multi-stakeholder initiatives, including joint sessions with the Alberta Building Trades Council and owners/contractors, the Construction Safety Summit, and contributions to the Construction Sector Best Practices Committee.

With the assistance of mediation and facilitation services, stakeholders were encouraged to design workplace practices and solutions to meet their needs. Based on a positive experience with the City of Edmonton and the Firefighters Union, relationship-building initiatives were completed with:

- The County of Strathcona and the Alberta Union of Provincial Employees
- The Town of Taber and its unions
- The City of St. Albert and the Firefighters Union
- The Building Trades Council and the Construction Labour Relations Association at Nova's Joffre site, as well as Suncor and Syncrude in Fort McMurray

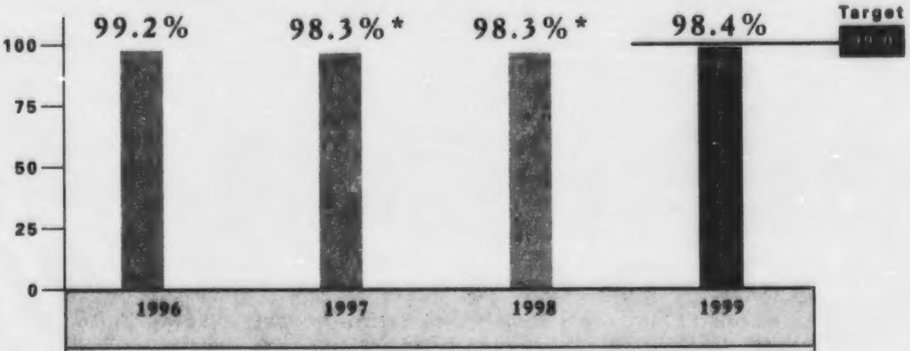
Provincially appointed mediators played a key role in helping clients in health care, education and other sectors reach mediated settlements. Of the 435 collective agreements that expired in 1999/2000, 107 (25 per cent) required the assistance of provincially appointed mediators. Over ninety per cent of the mediated cases were resolved without job action.

Strategic labour relations advice and information was made available to stakeholders and clients through briefings and website services. Effective monitoring of Alberta's labour relations climate resulted in the development of proactive strategies to address disputes in the health care and education sectors.

PERFORMANCE MEASURES

The percentage of collective bargaining negotiations that avoid work stoppages provides an indication of labour stability in unionized workplaces in Alberta, and provides an indication that the parties involved are resolving disputes and managing workplace issues. Both employees and employers have access to a framework for the resolution of disputes and the management of workplace issues.

Performance Measure 5.1
The percentage of collective bargaining negotiations that avoid work stoppage. [7]



Note: * These historical data have been revised.
Source: Alberta Human Resources and Employment.

ANALYSIS

The percentage of expired collective bargaining agreements that are settled without work stoppage continues to remain close to the target of 99 per cent. A number of combined factors influence this measure such as the low unemployment rate, wage freezes and rollbacks by major employers in the 1990s as well as a highly competitive economic environment that can increase the influence of unions in negotiations.

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[7] The measure is calculated using the number of Collective Bargaining Agreements (CBAs) filed with Alberta Human Resources and Employment that have expired, and the number of legal strikes and lockouts initiated, in the calendar year. The measure is a ratio of the number of expired CBAs, less legal strikes and lockouts, to the number of expired CBAs.

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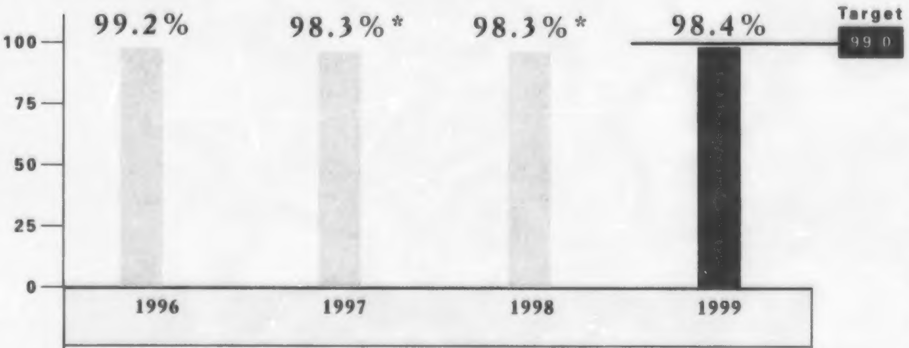

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[illegible] Effective employment standards and practices, which accurately reflect a changing workplace

STRATEGIES

- Educate industry groups, employees and employers about employment standards rights and responsibilities
- Establish a customer advisory group, and consult with our customers to ensure that employment standards delivery and policies serve the needs of Albertans
- Emphasize policy and processes to ensure employment standards services are impartial, consistently customer focused, and meet the needs of the workplace
- Provide compliance programs to deal with chronic violators of the *Employment Standards Code*
- Target industries with poor employment standards compliance performance and implement strategies to improve compliance
- Resolve complaints through the increased use of counseling and mediation
- Increase service productivity resulting from economic growth and maintain stable operational costs

RESULTS

The department continued to promote Alberta's *Employment Standards Code* and regulations by offering workshops, Train-the-Trainer sessions, and seminars to employers and employees to inform them about their rights and obligations. Client input to the evaluation of client services resulted in improved self-help information to assist employees resolve their disputes without government intervention. A comprehensive client consultation regarding Employment Standards regulations was completed in March 2000.

On March 31, 2000 the department formed a new partnership with Alberta Restaurant and Food Services Association to improve the industry's compliance. This targeted educational and compliance initiative will lay the foundation to educate employers and employees on employment standards. The department continued to target chronic violators of the *Employment Standards Code* with five prosecutions initiated in 1999/2000.

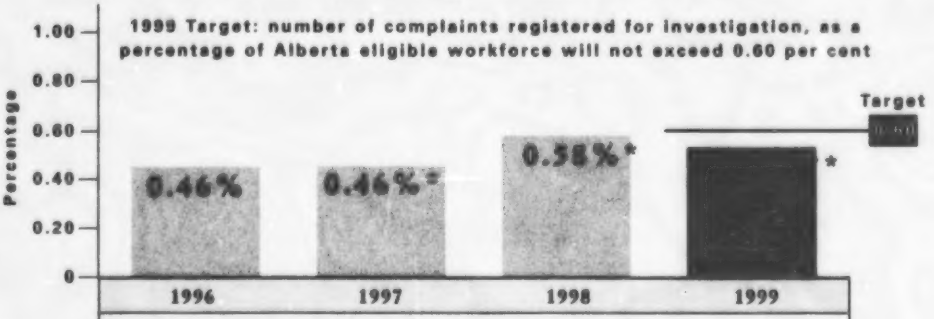
Resolution assistance was provided where complaints required investigation, prompt and timely information, counseling and impartial dispute resolution. In the past year, 69 per cent of all registered complaints were completed within 120 days, 81 per cent within 180 days, and 97 per cent within 365 days.

More than 180,000 clients received assistance interpreting and applying employment standards legislation through the Employment Standards Information Line. The Employment Standards Consolidated Telephone (Counseling) Unit was awarded the 1999 Silver Premier's Award of Excellence in recognition of its achievements.

PERFORMANCE MEASURES

This measure provides an indication of the success of efforts to maintain good working relations between workers and employers primarily in the non-union environment.

Performance Measure 6.1
Number of complaints registered with Employment Standards for investigation as a percentage of Alberta's workforce. [8]



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Source: Alberta Human Resources and Employment, Employment Standards Information System (ESIS); Statistics Canada, Labour Force Survey, Household Division and Public Institute Division (PID)

ANALYSIS

The department continues to work with employers and employees to create a fair and level playing field in the workplace. The effectiveness of these efforts is reflected in the registered complaints, which have not risen over the last year. Typically, decreased unemployment and significant increases in economic activity, as was experienced this fiscal year, results in an increase in registered complaints. However, most cases in the past year were resolved before they became registered complaints, indicating the success of proactive educational initiatives and compliance programs.

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[8] The measure is calculated as the number of Employment Standards complaints registered for investigation in a calendar year, as a percentage of the eligible workforce. Registered complaints are maintained in the Employment Standards Information System (ESIS) at Alberta Human Resources and Employment.
The eligible workforce is defined as the total number of agricultural and non-agricultural paid workers in Alberta, less employees under federal jurisdiction who have their own employee grievance procedures. Eligible workforce data are derived from the Statistics Canada Labour Force Survey, Household Division and Public Institute Division (PID).

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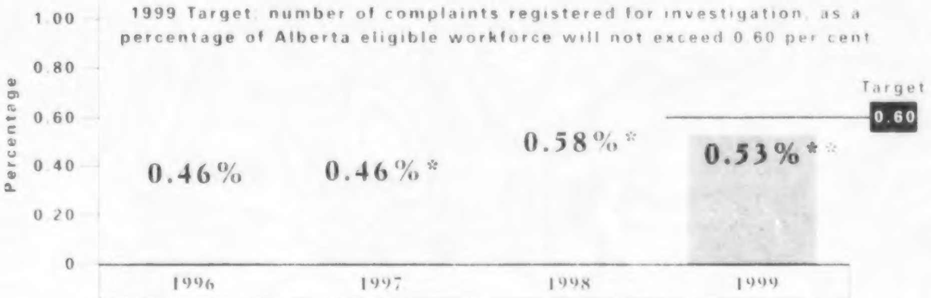

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core business

Supporting Albertans in Need

The department continues to provide support to families, individuals, and those who are the most vulnerable. Albertans requiring assistance can receive help in the form of services, income, or income supplements to meet their basic needs. For dependent adults in need of protection, guardianship services and the facilitation of alternate surrogate decision-making mechanisms are provided.

Goal 7

Assist low income Albertans to achieve economic self-sufficiency

STRATEGIES

- Continue helping people move towards independence while providing last resort financial support to those in need
- Provide training and employment supports to help clients who are expected to return to the workforce
- Continue to strengthen the Ministry's strategic alliance with federal programs and other Ministries to deliver an effective range of employment and training programs
- Continue to support the development and implementation of the National Child Benefit by creating or enhancing supports for low-income families
- Increase Alberta Child Health Benefit to 100% coverage for optical, dental, ambulance and drug prescription services, as well as providing essential diabetic supplies for children in low-income families
- Work with Alberta Health and Wellness, the Alberta Alcohol and Drug Abuse Commission and the Premier's Council on the Status of Persons with Disabilities on providing employment supports for Albertans with disabilities in the Canada/Alberta Employability Assistance for Persons with Disabilities (EAPD) cost sharing agreement

RESULTS

The department provides job experience and training opportunities to help people on government assistance get back to work. Follow-up data shows that 72 per cent of those who ended an employment program or service in 1998/99 were not receiving Supports for Independence (SFI) benefits 12 months later. However, the changing profile of clients who access Support for Independence, is presenting challenges to maintain these results. Unattached individuals make up a smaller percentage of the caseload while a greater proportion of individuals have multiple barriers to address as they prepare for work.

During 1999/2000, Alberta continued to work with the federal government and other provinces/territories on several initiatives with benefits for low-income Albertans.

- Through the Labour Market Development Agreement, Alberta continues to work with the federal government to provide interventions for unemployed Albertans eligible for Employment Insurance.
- As part of the ongoing Forum of Labour Market Ministers, federal, provincial and territorial governments examined the changing requirements for participation in the labour market and client accessibility to an array of labour market interventions. Alberta took a lead role in identifying gaps in labour market programming and developing the First Annual Profile on Youth in the Canadian Labour Market.
- Benefits and programs for low-income families with children were enhanced in July 1999 under the National Child Benefit (NCB) program, a federal/provincial/territorial initiative carried out by the Ministers Responsible for Social Services.
- Alberta enhanced the Alberta Child Health Benefit by raising qualifying income thresholds in May, 1999, making it sensitive to family size. Approximately $10.6 million was used to provide benefits for a total of 53,500 children in 1999-2000.
- In February 1999, NCB reinvestment funding was used to increase shelter benefits for families with children on welfare. Shelter allowance increases ranged from $33 to $41 monthly per family.

Employment initiatives designed especially for people on Supports for Independence include:

The Alberta Community Employment (ACE) *Program helps people to gain or relearn skills while they are on the job.*

The Employment Skills Program (ESP) *provides clients with work experience and training in provincial government departments for up to six months, to give them a chance to refine their job skills.*

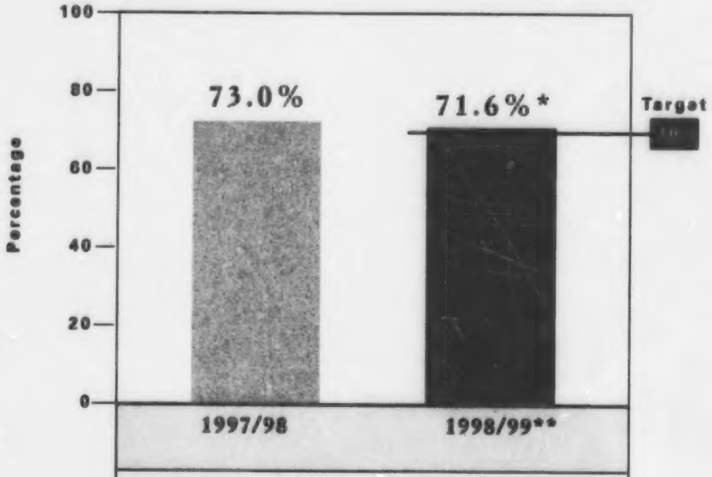
The Alberta Job Corps (AJC) *is available where there is need for the program. Currently available in Northern Alberta, Edmonton and Calgary, it helps people to find their way into the job market.*

- Alberta is also actively involved in a variety of federal/provincial/territorial disability-related initiatives:
    - During the past year, Alberta actively participated in developing an accountability framework for In Unison, a federal/provincial/territorial vision for ensuring full participation of persons with disabilities in all aspects of Canadian society
    - Alberta is currently negotiating with the federal government the exact nature and cost-shareability of employment supports included under the the Employability Assistance for People with Disabilities (EAPD) cost-sharing agreement between Alberta and the federal government
- In addition, the department works with Alberta Health and Wellness, Alberta Learning and the Alberta Alcohol and Drug Abuse Commission to provide disability related employment supports to Albertans under the Employment Supports to Persons with Disabilities (ESPD).
- From November 1998 to November 1999, Alberta was the lead province in the social services sector. The department's lead role entailed advancing work an all federal/provincial/territorial initiatives.

PERFORMANCE MEASURES

The department provides job experience and training initiatives for those able to work but who temporarily require financial assistance through Support For Independence (SFI). Client records are monitored after leaving a work experience or training/employment initiative.

Performance Measure 7.1
Proportion of employment initiative program graduates not receiving SFI benefits 12 months after graduation or placement



Note: * This is a weighted average based on the number of positions completed per program.
** These dates denote year that participants left the program
Source: Alberta Human Resources and Employment. 12 Month Post Participant Database.

ANALYSIS

The proportion of clients not receiving benefits 12 months after leaving SFI continues to exceed the target. However, the number of SFI clients assessed as being suitable for participation in employment and training initiatives has declined from the previous year. Maintenance of these levels will be a challenge because of the changing composition of the caseload (more families with children) and a more highly barriered clientele, resulting in these individuals having more difficulty in returning to and remaining in the workforce.

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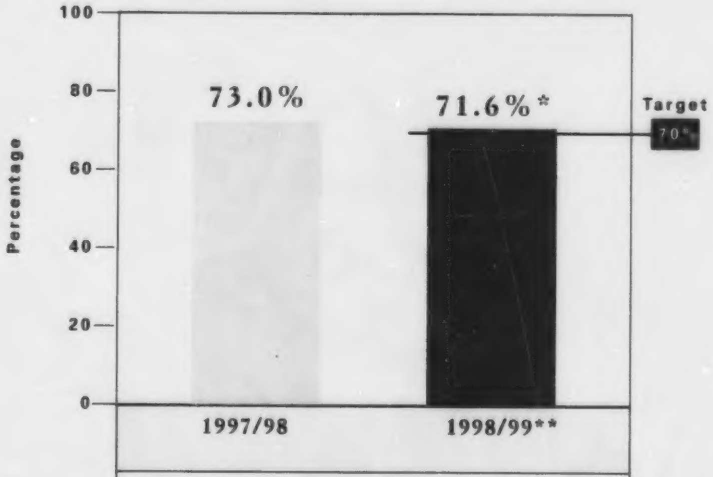

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As part of supporting Albertans in need, the Family Maintenance program helps single parents and parents of blended families obtain financial support from the other parent of their children. It is a mandatory service for all single parents or parents of a blended family who are receiving Supports for Independence (SFI) or Assured Income for the Severely Handicapped (AISH) benefits.

Performance Measure 7.2
Proportion of single parent SFI files with child support orders or agreements*

1998/99	1999/00 (Target)	1999/00 (Actual)
61.8%**	65%	56.3%

Note: * Measure includes all SFI clients referred to Family Maintenance Program who have the potential for child support income plus Maintenance Enforcement Program Collection count (Alberta Justice) divided by SFI single parent caseload.
** The 1998/99 number has been revised from the previously reported result.
Sources: Alberta Human Resources and Employment, InfoPac; Alberta Justice.

ANALYSIS

The percentage of single parents on SFI with an agreement or order that is being collected is lower than in the previous two years. Department staff negotiate maintenance agreements, obtain court orders for maintenance, and register the agreements and orders with the Maintenance Enforcement Program (MEP) of Alberta Justice. Alberta Justice enforces and collects the support payment. The reasons for the decline are under review.

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GOAL 5 Provide Financial Assistance to Albertans in Need

STRATEGIES

- Continue providing last resort financial assistance to meet the basic needs of low-income Albertans
- Continue providing benefits to severely disabled Albertans through the Assured Income for the Severely Handicapped program (AISH)
- Review the AISH program and implement changes to help focus on people's abilities

RESULTS

Although the department encourages Albertans to participate in the workforce, it also provides support to those who are unable to fully support themselves. In 1999/2000, an average of 31,112[9] clients received Supports for Independence each month, which is less than the forecast 33,000 cases. In addition, approximately 2,500 individuals received the Alberta Widows' Pension.

Following extensive public consultation, improvements to the Assured Income for the Severely Handicapped (AISH) program were implemented in October 1999. These included an increase to the income exemption level for single recipients, and extended medical benefits. These changes ensure that AISH recipients can take the step toward independence without jeopardizing their eligibility or chances of returning to the program if they do not succeed. On average, during 1999/2000, 24,760 Albertans received AISH each month.

The department offers a variety of income support to those who are unable to meet their basic needs. These include:

Assured Income for the Severely Handicapped (AISH) *provides a basic level of income to persons with severe and permanent disabilities that prevent them from earning a livelihood. The AISH program is income and asset tested, but not needs tested.*

Alberta Widow's Pension *provides a basic level of income to widows and widowers between the ages of 55 and 64 who have limited financial resources. The program recipients are income tested, but not asset and needs tested.*

Supports For Independence (SFI) *provides financial and employment assistance for individuals and families who cannot meet their monthly needs. Assistance is also provided to help people access other services, programs, and supports to become more self-reliant. Individuals and families must meet a number of income, asset, and needs criteria, and must have exhausted all alternative means of support. Those who cannot work, or who face significant barriers to being able to work, may receive benefits from the Assured Support sub-program of SFI.*

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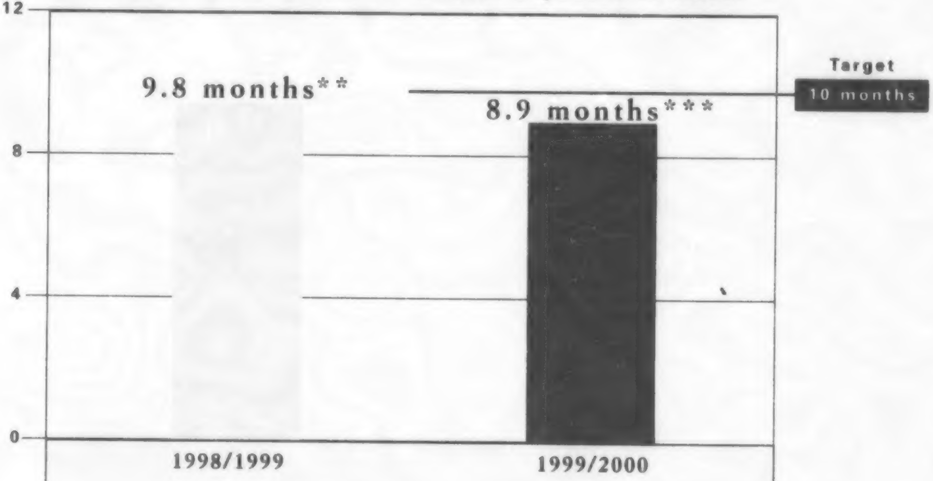
[9] Alberta Human Resources and Employment, InfoPac report

PERFORMANCE MEASURES

Albertans who are temporarily unable to participate in the labour market can receive short-term financial assistance. A decrease in the average length of time 'expected-to-work' clients receive assistance indicates greater economic independence.

Performance Measure 8.1
Duration of SFI benefits for Clients Expected to Work.*



Notes: * For 1999/2000 this measure indicates the average length of time that Employment and Training support clients receive assistance. The 1998/1999 result includes clients receiving Supplement to Earning and Transitional Support as well as Employment and Training Support.
** The 1998/99 duration of SFI benefits is a figure, based on monthly results for a ten month period. As a result of system changes, two months of data were unavailable.
*** The 1999/2000 (Actual) is calculated by averaging the monthly figures on duration of benefits.
Sources: Alberta Human Resources and Employment, Info Pac report.

ANALYSIS

During 1999/2000, Employment and Training Support clients receiving assistance spent less time accessing benefits than the target. Decreased duration of SFI benefits indicates decreasing dependence on social assistance.

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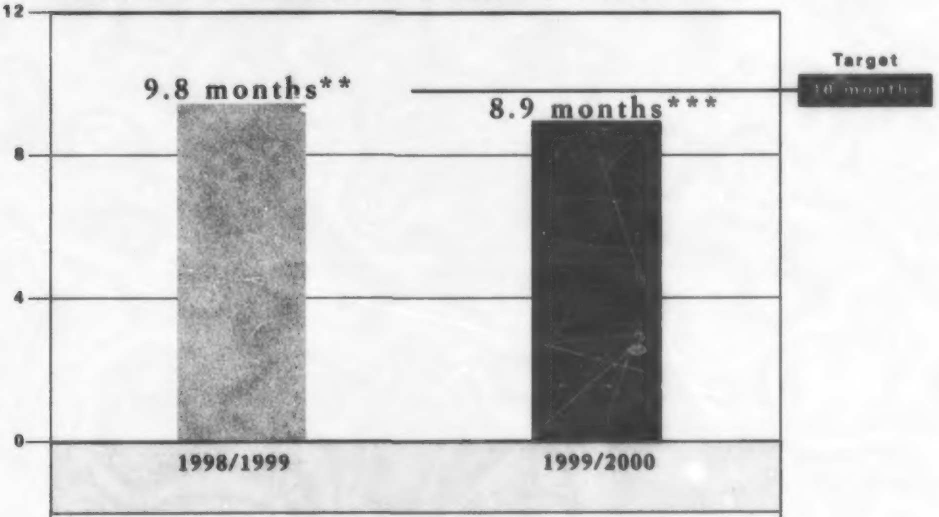

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Goal [illegible]

Support Vulnerable Albertans

STRATEGIES

- Work with other Ministries to simplify administrative processes under the *Dependent Adults Act*
- Evaluate the implementation and administration of the *Personal Directives Act* and of the *Mental Health Act* amendment assigning the Public Guardian the role of a decision-maker of last resort

RESULTS

The Office of the Public Guardian (OPG):

- Continues to support adult Albertans who cannot make their own decisions and helps people plan for their own future with personal directives
- Continues to assist private individuals in obtaining a guardianship order on an adult who is unable to make independent decisions
- Continues to appoint public guardians for those dependent adults who do not have family members or any other interested person who might apply to become a guardian

During the past year, the OPG streamlined the administrative process for obtaining guardianship orders. Working with Alberta Justice, self-help kits were made more user-friendly and legislation was amended to allow individuals living outside of the province to become guardians for dependent adults residing in Alberta.

The *Personal Directives Act* promotes self-determination by enabling adult Albertans to appoint a substitute decision-maker and provide instructions regarding personal non-financial matters in the event of future loss of capacity. A review of the Act was coordinated with the departments of Alberta Justice, Health and Wellness, and Community Development. While the study determined that the legislation is serving its intended purpose, it also yielded a number of recommendations for program improvements, such as:

- Inform and educate Albertans including service providers about their responsibilities under the Act
- Provide information to professional organizations and groups about the importance of developing policies and protocols respecting the implementation of the Act, and
- Gather information about the ongoing performance of the Act, including court challenges

PERFORMANCE MEASURES

Client satisfaction is a measurement of how effectively the supports and services respond to clients' needs.

Performance Measure 9.1
Percent of dependent adults and/or their guardians/families satisfied with the supports and services provided by the OPG.

	1999/00 (Target)	1999/00 (Actual)
Degree of satisfaction reported by survey participants	90.0%	Not yet available*

Note: * Service providers rather than dependent adults and/or their guardians/families were surveyed in 1999/2000.

ANALYSIS

The OPG measured satisfaction with supports and services provided for the first time in 1999/2000. In the initial phase, service providers who access the services on behalf of their clients (dependent adults and/or their guardians/families) were surveyed. Over three quarters of these respondents indicated they were satisfied with the services of the OPG.*

The department intends to survey dependent adults and/or their guardians and families in 2000/2001. The results of these surveys will assist the OPG in developing future key strategies and in responding more effectively to its clients.

Dropped Performance Measures

The restated 1999-2002 Alberta Human Resources and Employment business plan tabled in November 1999 was derived from business plans tabled in February 1999 by the former Ministries of Advanced Education and Career Development, Alberta Labour, and Alberta Family and Social Services.

While developing the business plan for the new department, some performance measures were deemed to be no longer relevant.

Appendix #2 reflects past measures and their related status

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* Alberta Human Resources and Employment (2000) Satisfaction Survey Report. Results are based on 207 questionnaires completed by service providers across the province in February 2000.

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Department of Alberta Human Resources and Employment

future challenges

goals, measures, results

Alberta Human Resources and Employment will face various challenges during the 2001-2002 fiscal year. The department is committed to helping Albertans reach their full potential and fostering healthy, safe and productive workplaces. As we build our new business plan, we will continue to explore new and innovative ways of addressing these challenges to develop effective strategies and actions.

Key challenges include:

SUPPORTING ALBERTANS TO BE INDEPENDENT

The disposable income of working Albertans should be greater than that of Albertans on income support. However, low-income earners who are not on income support programs are finding it harder to meet their needs based on their income. Incentives to become self-supporting and independent must be further encouraged. To this end, the department will focus on developing strategies to address issues faced by low-income earners. Programs must be designed so that clients leaving the assistance programs do not experience a sudden and steep rise in the cost of basic needs (including medical, shelter, schooling and daycare). Program resources will shift to assist individuals in their employment plans such as: skills development, retraining and upgrading, job search and retention, social skills, and financial management.

EARLY INTERVENTIONS

Finding ways to intervene at an early stage with prospective and existing members of the workforce remains a challenge. Young people and high school students need to understand the changing requirements in the workplace and what those changes mean for adequate career preparation. Helping potential applicants for Supports for Independence (SFI) receive timely employment assistance, rather than accessing income support, minimizes the difficulties of re-entering the workforce after a lengthy absence from it. By implementing a new case management process, we can improve the quality support provided to clients by ensuring success for the client in overcoming barriers.

RESPONDING TO THE NEEDS OF A DIVERSE WORKFORCE

The opportunity exists to involve an increasingly diverse population in Alberta's workforce. The challenge is to design, develop and deliver programs that meet the identified needs of individuals. Persons with disabilities, aboriginal people, people who lack work experience and skills and those who lack the resources to further develop their skills, may encounter difficulty making a permanent attachment to the workforce. Some programs are in place but creative solutions to emerging problems must be developed.

A RAPIDLY CHANGING ECONOMY

Globalization and change are rapidly transforming Alberta's economy, especially in sectors such as oil and gas, and technology. This creates new challenges for the Alberta workforce to adjust to changing requirements by acquiring new skills and methods of work. With above average growth rates projected for Alberta's economy, industry leaders are identifying difficulties in obtaining workers for peak periods of high construction. The Alberta Construction Workforce Supply/Demand Forecast (five year forecast 2000/04) indicates moderate to severe shortages for the following trades: millwrights, electricians, carpenters, bricklayers, plumbers and pipefitters and ironworkers.

Within some industrial sectors, aging and retirements are expected to be a concern within some industrial sectors such as agriculture, finance, public administration and community service. Teachers and those in the construction trades will be particularly affected.

New technologies will continue to change Alberta's workplaces as it tends to create jobs requiring a higher level of education. With fewer jobs requiring manual or clerical skills, accessing career training, skills development and learning opportunities will be critical for the majority of Alberta's workforce. Improving educational and training opportunities for Alberta's young people, and other groups that have typically not participated fully in the province's economic opportunities, will be an important challenge.

EDUCATION AND TRAINING

For most people, education, particularly post-secondary education will be the key to participating in Alberta's economic future. Of all the new jobs created from 1999 to 2008, approximately 58 per cent will require some form of post-secondary training. Only 12 per cent of new job openings will not require a high school diploma. The remaining 30 per cent of new jobs will require high school graduation and/or work experience.

Lifelong learning or training enables workers to adapt to a rapidly changing labour market. Essential skills or the ability to learn is the key to employability.

WORKPLACE STABILITY

There is a general trend towards more highly skilled and educated workers in Alberta's workplaces. In the next few years, these workers may expect to play a greater role in determining workplace issues. The department's challenge is to help build collaborative relationships that will address this trend and result in greater labour/management co-operation. The department is currently developing a strategy to deliver collaborative workplace relationships and interest-based problem solving training throughout Alberta's workplaces to reduce workplace disruptions.

It is important for the province's labour relations framework to remain relevant and innovative to meet emerging workplace challenges. The department will continue to monitor national and international labour relations initiatives to ensure the province's labour relations practices are leading edge.

The challenges for the department's mediation services include maintaining a roster of qualified arbitrators who provide neutral third-party adjudication of workplace disputes where the parties cannot mutually agree on an arbitrator. Recently, there has been a trend to use government appointed arbitrators more. The number of qualified arbitrators in the province is shrinking due to such factors as retirement. The department is currently working with key workplace stakeholders to develop a strategy to ensure the availability of qualified arbitrators.

HEALTH AND SAFETY OF WORKERS IN A GROWING ECONOMY

The department will be challenged to respond to the demands of a continuously expanding client base. Over the past ten years, Alberta's workforce has been increasing. Although there has been a reduction in the rate of injuries in the province, the department is striving to become more innovative by promoting health and safety management systems and strategic enforcement focusing on industries with poor performance and uncontrolled hazards.

LABOUR MOBILITY

In the *Agreement on Internal Trade*, federal, provincial and territorial governments have agreed to remove or reduce interprovincial barriers to the movement of workers, goods, services and capital. Differences in how occupational qualifications are recognized, licensed, or certified have limited the ability of Canadians to work in other locations within the country. The ability of labour to move back and forth across national and international boundaries is seen as an important step in furthering our economic growth. The department is working toward the goal of ensuring that qualified workers in Alberta will have access to employment opportunities anywhere in the country. Meeting the July 2001 deadline for the removal of all barriers to the free movement of professionals within Canada is a priority.

TEAMWORK WITH AND AMONG GOVERNMENTS

Departmental income support, disability and labour market programs are just one component of a broader system of federal and provincial programs to help people meet basic needs and connect to the labour market. The challenge for inter-governmental co-operation, is to ensure roles and responsibilities are clear, in order to reduce duplication and simplify access to the various services.

the people & workplace department

Alberta Human Resources and Employment

financial discussion and analysis

financial discussion and analysis

Ministry of Alberta Human Resources and Employment

financial analysis and discussion

The following financial statements for the Ministry of Alberta Human Resources and Employment include the activities of the:

- Department of Alberta Human Resources and Employment (HRE)
- Personnel Administration Office (PAO)
- Alberta Labour Relations Board (LRB)

Pursuant to the *Government Accountability Act*, the activities of the Workers' Compensation Board (WCB) are not included in the financial statements of the Ministry of HRE. The WCB's activities are reported separately. The audited financial statements and a brief analysis of financial results is included in this Ministry annual report on page 62.

FINANCIAL INFORMATION

FINANCIAL RESULTS AND PERFORMANCE

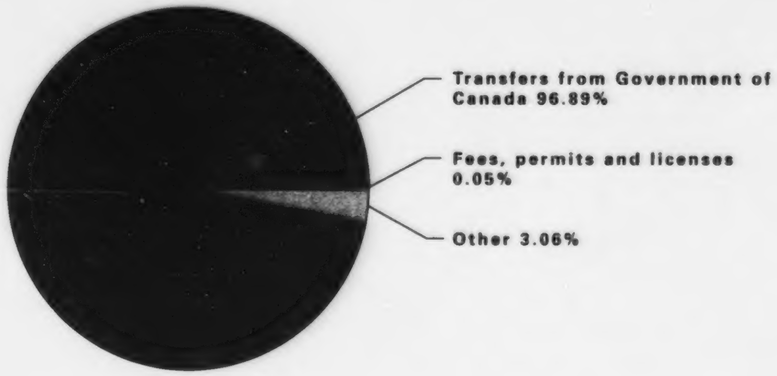
Financial Results

Accountability

Financial results of the Ministry of Human Resources and Employment for the year ended March 31, 2000 include the activities of the Personnel Administration Office and the Department of Human Resources and Employment. More detailed information can be found in the Ministry's financial statements.

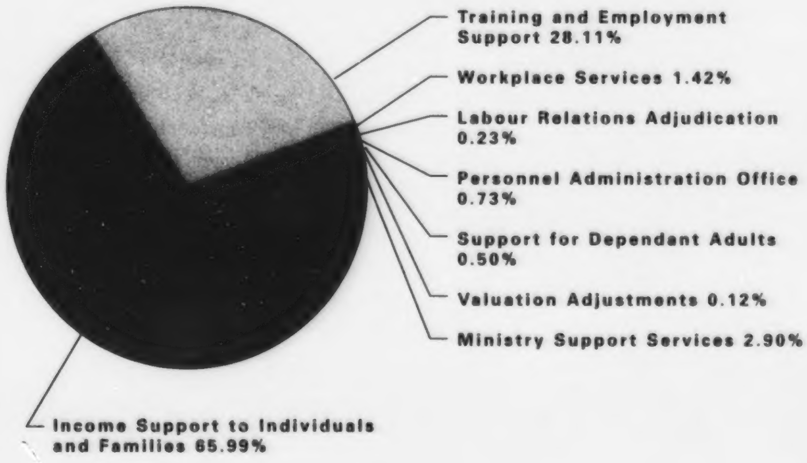
	(in thousands)		
	2000		1999
	Budget	**Actual**	**Actual**
Revenue			
Transfers from Government of Canada	$ 446,527	$ 408,489	$ 370,860
Fees, permits and licenses	278	220	274
Investment income	1	-	4
Other	12,140	12,913	11,270
	458,946	421,622	382,408
Expense			
Voted:			
Ministry Support Services	20,138	28,349	25,236
Income Support to Individuals and Families	672,556	644,067	624,837
Training and Employment Support	268,072	274,401	225,890
Workplace Services	13,853	13,831	13,190
Labour Relations Adjudication	1,800	2,253	2,072
Personnel Administration Office	7,142	7,083	7,028
Support for Dependent Adults	5,000	4,836	4,620
	988,561	974,820	902,873
Valuation adjustments			
Provision for doubtful accounts, vacation pay and repayable advances	1,140	1,183	998
	989,701	976,003	903,871
Loss on disposal of capital assets	-	-	1,940
	989,701	976,003	905,811
Net Operating Results	**$ (530,755)**	**$ (554,381)**	**$ (523,403)**

Sources of Revenue - $421 Million



Expenses by Program - $976 million

(Programs represent services to Albertans)



DISCUSSION OF FINANCIAL RESULTS/PERFORMANCE

Results of Operations

Revenues

Revenues for the Ministry of Human Resources and Employment amounted to $421.6 million for 1999-2000. Transfers from the Government of Canada totalled $408.5 million (Canada Health and Social Transfers - $255.3 million, Labour Market Development Agreement Benefits - $121.6 million, Services to On-Reserve Status Indians - $9.2 million and Rehabilitation of Disabled Persons - $22.3 million.) The remaining $13.1 million in revenues included $6.0 million from the Worker's Compensation Board to defray part of the costs of administering the Occupational Health and Safety Act, $5.8 million of Supports for Independence (SFI)/Assured Income for the Severely Handicapped (AISH) overpayment recoveries from clients or refunds from federal Employment Insurance and Canada Pension Plan Disability programs, approximately $1.1 million of prior year expenditure refunds, and $0.2 million from Fees, Permits and Licences.

Comparison of 1999-2000 Budget to Actuals

Actual Revenues were $37.3 million less than budgeted owing primarily to lower than expected transfers from the Government of Canada. Federal transfers under the Canada Health and Social Transfer were $34.9 million lower than budgeted as this revenue is determined by a formula that is impacted by provincial personal and corporate income taxes. Revenue received under the Labour Market Development Agreement was $3.9 million less than budgeted as the amount recovered for computer system expenses was less than anticipated. Federal transfers for Services to On-Reserve Status Indians were $419,000 higher than budgeted and Rehabilitation of Disabled Persons revenues were $343,000 higher. Other Revenues were $772,000 higher owing to an increase of prior year expenditure refunds and an increase in program overpayment recoveries.

Comparison of 1999-2000 Actuals to 1998-1999 Actuals

Total revenues for the Ministry increased $39.2 million owing primarily to an increase in Transfers from the Government of Canada. The Labour Market Development Agreement Benefits revenue increased $38.5 million as more eligible training and employment programs and services were provided than in previous years. In addition, a new agreement was reached with the Federal Government to include the full cost of training apprentices. Federal Transfers under the Canada Health and Social Transfers increased by $1.1 million. There were also minor decreases in revenue from Services to On-Reserve Status Indians ($398,000) and Rehabilitation of Disabled Persons ($918,000). The Other Revenue sources are $1.6 million higher primarily due to increases in prior year expenditure refunds and SFI/AISH program overpayment recoveries.

Expenses

The Ministry of Human Resources and Employment incurred expenses totaling $976 million for 1999-2000. Over $644 million was provided for programs such as Supports for Independence, Shelters for Homeless Adults, Alberta Widows' Pension, Child Health Benefits and Assured Income for the Severely Handicapped. Another $274.4 million was invested in Training and Employment Support for various programs such as Skills Development Training, Employment Preparation, Employment Initiatives and Labour Market Development Agreement Benefits and Measures. Workplace Services incurred expenses of $13.8 million on programs and services such as Mediation, Issues Management, Employment Standards and Regional Services. Supports to Dependent Adults incurred expenses of $4.8 million while $28.3 million, which is less than 3% of total expenditures, was used for Ministry Support Services. Valuation Adjustments amounted to $1.2 million.

The Personnel Administration Office incurred expenses of $7.1 million.

The Labour Relations Board spent $2.3 million on various programs and services.

Comparison of 1999-2000 Budget to Actuals

In total, 1999-2000 expenditures were $13.7 million less than the original budget of $989.7 million. The following comments provide a high level discussion of the significant expense variances of the Ministry's programs.

- When comparing the original 1999-2000 budget and actual results, the Ministry Support Services incurred an over-expenditure of $8.2 million. Information Technology costs associated with computer desktop support and Y2K readiness accounted for $4.6 million of the over-expenditure. Additional costs associated with the government's financial and human resource computer systems accounted for a further $800,000. Increased costs for salary settlements, legal services, forms and insurance were other items contributing towards the over-expenditure.
- Income Support to Individuals and Families had an under-expenditure of $28.5 million owing primarily to a decrease in the Supports for Independence monthly average caseload from 33,000 to 31,112. As well, the average monthly cost per case decreased from $763 to $724. The Widows' Pension program and Child Health Benefit program also had minor under-expenditures as a result of less than anticipated client utilization. These savings allowed the Ministry to invest in employment preparation and training programs, as well as in Shelters for Homeless Adults.
- Training and Employment Support incurred an over-expenditure of $6.3 million owing primarily to increased demand for training in such programs as Skills Development Training Grants and Labour Market Development Agreement Benefits and Measures.
- Workplace Services had a minor surplus of $22,000 owing to staff vacancies.
- Labour Relations Adjudication incurred a $453,000 over-expenditure owing primarily to increased contract costs for a computer database upgrade and maintenance costs. Additional board member costs were incurred due to complex hearings.
- The Personnel Administration Office had a $59,000 under expenditure due to staff vacancies.
- Support for Dependent Adults surplused $164,000 owing to lower administration costs.

Comparison of 1999-2000 Actuals to 1998-99 Actuals

- Ministry Support Services expenses increased $3.1 million owing primarily to additional information technology desktop support services.
- Income Support to Individuals and Families expenses increased $19.2 million. The Assured Income for the Severely Handicapped expenses increased $25.2 million due to an increase in monthly average caseloads from 23,093 to 24,760 and a monthly average cost per case increase of $27 from $875 to $902. Increased utilization of the Child Health Benefit resulted in a $7.8 million expenditure increase in this program. These increases in expenditures were partially offset by Supports for Independence program savings. The continued success of our welfare reforms resulted in a decrease in the caseload from 32,538 to 31,112 and a reduction of $27 in the cost per case from $751 to $724 per month.

Comparison of 1999-2000 Actuals to 1998-99 Actuals (continued)

- Training and Employment Support expenses increased significantly to $274.4 million which represents a $48.5 million change. An increase in client demand, tuition fees and living allowances associated with the Skills Development Training program and Labour Market Development Agreement accounted for $38.8 million. An additional $6.0 million was spent on Employment Initiatives. The Youth Connections program was expanded to new locations throughout the province resulting in a spending increase of $2.7 million. Finally, an additional $1.0 million was spent on items such as equipment upgrades and replacements which support the delivery of these programs.
- Workplace Services expenses increased $641,000 to accommodate salary settlement increases.
- Labour Relations Adjudication incurred increased expenses of $181,000 due to salary settlement increases and additional contract costs for items such as legal services and a customer survey.
- The Personnel Administration Office had additional expenses of $55,000 to cover the cost of salary settlement increases.
- Support for Dependent Adults expenses increased by $216,000 to accommodate the costs of salary settlement increases.

Ministry of Alberta Human Resources and Employment

financial statements

for the year ended March 31, 2000

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Auditor's Report

To the Minister of Human Resources and Employment

I have audited the statement of financial position of the Ministry of Human Resources and Employment as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry of Human Resources and Employment is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across ministries. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies two exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury.

The following reporting practices are not in accordance with generally accepted accounting principles:

Excluded direct costs

Accommodation and certain other administration costs, estimated to be $15.4 million (accommodation costs only), incurred in the operation of the Ministry of Human Resources and Employment have not been included in expenses. The departments that paid the expenses on behalf of the Ministry of Human Resources and Employment record these costs.

Capitalization of assets

Capital assets purchased with a cost of under $15,000 are expensed in the year acquired rather than being capitalized and amortized over their useful lives. Consequently, a significant amount of resources available to the Ministry have been recorded as if they have been consumed. In my view, capital assets purchased in the current year of approximately $5.7 million should be recognized as assets in the accompanying statement of financial position.The effect of this understatement of assets is to overstate expenses for the year ended March 31, 1999 by $5.7 million. The cumulative effect of the application of this policy on the accompanying financial statements, with respect to the Ministry's total capital assets and accumulated amortization, cannot be reasonably determined but is believed to be significant.

In my opinion, except for the effects of the matters discussed in the preceding sections, these financial statements present fairly, in all material respects, the financial position of the Ministry of Human Resources and Employment as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine

Edmonton, Alberta
May 24, 2000

Peter Valentine, FCA
Auditor General

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

STATEMENT OF OPERATIONS

For the year ended March 31, 2000

(in thousands)

	2000		1999
	Budget (Schedule 3)	Actual	Actual
Revenue (Schedules 1 and 2)			
Transfers from Government of Canada	$ 446,527	$ 408,489	$ 370,860
Fees, permits and licenses	278	220	274
Investment income	1	-	4
Other	12,140	12,913	11,270
	458,946	421,622	382,408
Expense (Schedules 4 and 5)			
Voted:			
Ministry Support Services	20,138	28,349	25,236
Income Support to Individuals and Families	672,556	644,067	624,837
Training and Employment Support	268,072	274,401	225,890
Workplace Services	13,853	13,831	13,190
Labour Relations Adjudication	1,800	2,253	2,072
Personnel Administration Office	7,142	7,083	7,028
Support for Dependent Adults	5,000	4,836	4,620
	988,561	974,820	902,873
Valuation adjustments			
Provision for doubtful accounts, vacation pay and repayable advances (Note 7)	1,140	1,183	998
	989,701	976,003	903,871
Loss on disposal of capital assets	-	-	1,940
	989,701	976,003	905,811
Net Operating Results	**$ (530,755)**	**$ (554,381)**	**$ (523,403)**

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Year Ended March 31, 2000

	(in thousands) 2000	(in thousands) 1999
Operating transactions:		
Net operating results from continuing operations	$ (554,381)	$ (523,403)
Non cash items included in net operating results		
Amortization	2,601	2,468
Valuation adjustments	1,183	998
Gain and write down of assets	-	1,940
	(550,597)	(517,997)
Increase in accounts receivable (a)	(4,707)	(16,486)
Decrease in advances	(5)	-
Decrease in accounts payable (a)	(6,630)	(7,134)
Increase in unamortized deferred capital contributions	363	258
Increase (decrease) in unearned revenues	1	(6)
Cash used for operating transactions	(561,575)	(541,365)
Investing transactions:		
Purchase of capital assets (Schedule 5)	(901)	(2,299)
Proceeds from disposal of capital assets	-	40
Transfer of capital assets from other Ministries	-	(161)
Cash used for investing transactions	(901)	(2,420)
Financing Transactions		
Net Transfer from General Revenues	563,902	547,358
Net cash provided	1,426	3,573
Cash at beginning of year	15,390	11,817
Cash at end of year	$ 16,816	$ 15,390

(a) Changes adjusted for valuation adjustments (Note 7)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

STATEMENT OF FINANCIAL POSITION

As at March 31, 2000

	(in thousands)	
	2000	1999
Assets		
Cash	$ 16,816	$ 15,390
Accounts Receivable (Note 4)	42,106	37,149
Advances (Note 5)	100	95
Capital Assets (Note 6)	11,081	12,781
	$ 70,103	$ 65,415
Liabilities		
Accounts Payable and Accrued Liabilities	$ 38,383	$ 43,580
Unamortized Deferred Capital Contributions (Note 8)	621	258
Unearned Revenue	1	-
	39,005	43,838
Net assets		
Net assets at beginning of year (Note 3)	21,577	(2,378)
Net Operating Results	(554,381)	(523,403)
Transfer from General Revenues	563,902	547,358
Net assets at end of year	31,098	21,577
	$ 70,103	**$ 65,415**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority and Purpose

The Ministry of Human Resources and Employment operates under the authority of the Government Organization Act, Statutes of Alberta.

The Ministry of Human Resources and Employment contributes to the Alberta Advantage by working with partners to:

- Assist Albertans to reach their full potential in society and the economy
- Foster safe, fair, productive and innovative workplaces
- Support those in need

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all Ministries. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Human Resources and Employment, for which the Minister of Human Resources and Employment is accountable.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government operate within the General Revenue Fund. The Fund is administered by the Provincial Treasurer. All cash receipts of the Ministry are deposited into the Fund and all cash disbursements made by the Ministry are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices (continued)** **(in thousands)**

(b) Basis of Financial Reporting (continued)

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Expenses represent the costs of resources consumed during the year for the Ministry's operations. Expenses include amortization of capital assets.

Pension costs included in these statements are the cost of employer contributions for current service of employees during the year and additional employer contributions for employees' service relating to prior years.

Certain expenses, primarily for office space, legal advice and banking services, incurred on behalf of the Ministry by other Ministries are not reflected in the Statement of Operations. Schedule 7 discloses information on these related party transactions.

Valuation Adjustments

Valuation adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable amount or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Assets

Financial assets of the Ministry are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals, as well as, inventories held for resale.

Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100 and the threshold for all other capital assets is $15.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Net Assets

Net Assets represent the difference between the value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. The fair values of accounts receivable, advances, accounts payable and accrued liabilities, and unearned revenues are estimated to approximate their book values.

Note 3 **Reorganization** **(in thousands)**

The Ministry of Human Resources and Employment was established as a result of a reorganization, announced by the government on May 25, 1999, and transfers of responsibility announced throughout the year. Comparative figures for 1999 have been restated as if the Ministry had always been assigned its current responsibilities.

Net liabilities, transferred from the Ministry of Family and Social Services, at March 31,1998	$(85,905)
Transfer to Ministry of Health and Wellness	68,726
Transfer to Ministry of Children's Services	27,511
Transfer from Ministry of Advanced Education & Career Development	(10,195)
Transfer from Ministry of Labour	(2,515)
Net liabilities, as restated at March 31,1998	$(2,378)

Note 4 **Accounts Receivable**

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 100,245	$ 58,268	$ 41,977	$ 36,961
Refunds from Suppliers	129	-	129	188
	$ 100,374	$ 58,268	$ 42,106	$ 37,149

Accounts receivable are unsecured and non-interest bearing.

Note 5 **Advances**

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Travel Advances	$ 100	$ -	$ 100	$ 95
	$ 100	$ -	$ 100	$ 95

Travel advances are provided to departmental employees to cover the cost of business travel.

Note 6 **Capital Assets** **(in thousands)**

	2000				1999
	Estimated Useful Life	**Cost**	**Accumulated Amortization**	**Net Book Value**	**Net Book Value**
Equipment (a)	5 Years	$ 875	$ (753)	$ 122	$ 76
Computer hardware and software	5 – 10 Years	45,655	(34,696)	10,959	12,705
		$ 46,530	$ (35,449)	$ 11,081	$ 12,781

(a) Equipment includes vehicles and systems equipment.

Note 7 **Valuation Adjustments**

	2000	1999
Provision for Doubtful Accounts	$ (250)	$ (1,004)
Provision for Vacation Pay	1,433	2,002
	$ 1,183	$ 998

Note 8 **Unamortized Deferred Capital Contributions**

Capital contributions are received from the Government of Canada under the Labour Market Development Agreement to acquire capital assets. Unamortized deferred capital contributions represent the externally funded portion of capital assets, which will be recognized as revenue in future years.

Note 9 **Commitments**

As at March 31, 2000, the Ministry had the following commitments:

	2000	1999
Service Contracts	$ $65,589	$ 39,498

Ministry leases certain vehicles under operating lease agreements that expire on various dates to 2003. It is the Ministry's intention to maintain fleet inventory at present levels. The aggregate amount payable for the unexpired terms of these leases is approximately $830 per annum and is not expected to vary significantly.

Note 10 **Contingencies**

At March 31, 2000, the Ministry is a defendant in seventeen legal claims (1999 - eight claims). Fifteen of these claims have specified amounts totaling $312.7 million (1999 - $1.3 million) while the remaining two claims have not specified any amount. Included in the total legal claims are four claims amounting to $2.1 million in which the Ministry has been jointly named with another entity. Seven claims amounting to $11.4 million are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 11 Trust Funds Under Administration **(in thousands)**

The Ministry administers trust funds, which are regulated funds, consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements. As at March 31, 2000, trust funds under administration were as follows:

	2000			1999
	Total Assets	**Total Liabilities**	**Net Assets (Liabilities)**	**Net Assets (Liabilities)**
Long Term Disability Income				
Continuance Plans:				
Bargaining Unit (a)	$ 99,232	$ (96,592)	$ 2,640	$ (674)
Management, Opted Out and Excluded (a)	16,311	(17,111)	(800)	(273)
Government Employees' Group				
Extended Medical Benefits Plan Trust	751	(1,671)	(920)	(120)
Government of Alberta Dental Plan Trust	3,681	(847)	2,834	2,288
Employment Standards Trust Fund	257	-	257	250
	$ 120,232	$ (116,221)	$ 4,011	$ 1,471

(a) Further details on the financial activities of these trust funds can be found elsewhere in the Ministry of Human Resources and Employment 1999-00 Annual Report.

Note 12 Pensions

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The expense for these pension plans is equivalent to the annual contributions of $5,602 for the year ending March 31, 2000 (1999-$5,317).

Effective January 1,1999, the Ministry's contribution to the Public Service Pension Plan was reduced by .3% of pensionable salaries.

At December 31, 1999, the Management Employees Pension Plan reported a surplus of $46,019 (1998 - $4,355) and the Public Service Pension Plan reported a surplus of $517,020 (1998 - $406,445).

At December 31,1999, the Supplementary Retirement Plan for Public Service Managers had a surplus of $33.

Note 13 Comparative Figures

Certain 1999 figures have been reclassified to conform to the 2000 presentation.

Note 14 Approval of Financial Statements

These financial statements were approved by the Deputy Minister, the Public Service Commissioner and the Senior Financial Officer.

MINISTRY OF HUMAN RESOURCE AND EMPLOYMENT

SCHEDULE TO FINANCIAL STATEMENTS **Schedule 1**

REVENUES

For the year ended March 31, 2000

(in thousands)

	2000		1999
	Budget	Actual	Actual
Transfers from the Government of Canada			
Canada Health and Social Transfer	$ 290,225	$ 255,328	$ 254,133
Labour Market Development Agreement Benefits	125,539	121,636	83,040
Services to On-Reserve Status Indians	8,763	9,182	9,580
Rehabilitation of Disabled Persons	22,000	22,343	23,261
Other	-	-	846
	446,527	408,489	370,860
Investment Income			
Various	1	-	4
Fees, Permits and Licences			
Various	278	220	274
Other Revenues			
Refunds of Expenditure	5,450	5,767	4,340
Other	6,690	7,146	6,930
	12,140	12,913	11,270
Total revenue	**$ 458,946**	**$ 421,622**	**$ 382,408**

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 2

DEDICATED REVENUE INITIATIVES
For the year ended March 31, 2000

(in thousands)

	2000		1999
	Budget	**Actual**	**Actual**
Expenses by Program			
Labour Market Development Agreement			
Benefits and Measures (a)			
Dedicated Revenue	$ 88,692	$ 94,673	$ 71,052
Expense	88,692	94,673	71,052
Net Expense	-	-	-
Program Support			
Dedicated Revenue	12,743	12,484	11,298
Expense	12,743	12,484	11,298
Net Expense	-	-	-
Total			
Dedicated Revenue	101,435	107,157	82,350
Expense	101,435	107,157	82,350
Net Expense	-	-	-
Capital Purchases by Program			
Labour Market Development Agreement			
Program Support (a)			
Dedicated Revenue	5,059	414	258
Expense	5,059	414	258
Net Expense	$ -	$ -	$ -

The revenues and expenses related to the dedicated revenue initiatives are included in the Ministry's revenue and expenses.

(a) Labour Market Development Agreement Benefits and Measures and Program Support dedicated revenue initiatives allow the costs associated with programs under the Labour Market Development Agreement to be fully offset with revenues collected from the Government of Canada.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SCHEDULE TO FINANCIAL STATEMENTS **Schedule 3**

BUDGETS

For the year ended March 31, 2000

(in thousands)

	1999-2000 Estimates Restated (a)	Authorized Supplementary (b)	1999-2000 Authorized Budget
Revenue			
Transfer from the Government of Canada	$ 446,527	$ -	$ 446,527
Fees, Permits and Licences	278	-	278
Investment Income	1	-	1
Other Revenue	12,140	-	12,140
	458,946	-	458,946
Expenses			
Voted Expenses			
Ministry Support Services	20,138	1,076	21,214
Income Support to Individuals and Families	672,556	(16,564)	655,992
Training and Employment Support	268,072	-	268,072
Workplace Services	13,853	-	13,853
Labour Relations	1,800	-	1,800
Personnel Administration Office	7,142	235	7,377
Supports to Dependent Adults	5,000	-	5,000
	988,561	(15,253)	973,308
Valuation adjustments			
Provision for Doubtful Accounts, Vacation Pay and Repayable Advances	1,140	-	1,140
Total Expenses	989,701	(15,253)	974,448
Net Operating Results	$ (530,755)	$ 15,253	$ (515,502)
Capital Investment	$ 7,202	$ -	$ 7,202

(a) Effective April 1, 1999, the Ministry of Human Resources and Employment was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999 - 2000 Government and Lottery Fund estimates that were approved on April 29, 1999 for both the major reorganization and other transfers of responsibility authorized during the year.

(b) Supplementary Estimates were approved on March 14, 2000. Treasury Board approval is pursuant to section 29 (1.1) of the Financial Administration Act.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SCHEDULE TO FINANCIAL STATEMENTS **Schedule 4**

EXPENSE DETAILED BY OBJECT

For the year ended March 31, 2000

(in thousands)

	2000		1999
	Budget	Actual	Actual
Voted expenses:	(a)		
Salaries, wages and employee benefits	$ 116,532	$ 117,351	$ 104,045
Supplies and services	130,045	149,110	111,156
Grants	766,671	733,302	685,141
Financial transactions and other	58	84	63
Amortization of capital assets	1,939	2,601	2,468
Total voted expenses before recoveries	1,015,245	1,002,448	902,873
Less Recovery from Support Service Arrangements with Related Parties (b)	(26,684)	(27,628)	-
Total voted expenses after recoveries	$ 988,561	$ 974,820	$ 902,873

(a) Effective April 1, 1999 the Ministry of Human Resources and Employment was established as a result of a major reorganization and other transfer of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfer of responsibility authorized during the year. The breakdown of expenses by object is based on management's best estimate.

(b) The Ministry provides human resources, information technology, financial and administrative services to the Ministries of Health and Wellness and Children's Services. Costs incurred for these services are recovered from these Ministries.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5

COMPARISON OF EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

For the year ended March 31, 2000

(in thousands)

		Adjusted Budget (a)	Voted Supplementary (b)	Authorized Budget	Current Year Actuals	Unexpended (Over Expended)
Program 1 - Ministry Support Services						
1.0.1	Minister's Office	$ 320	$ -	$ 320	$ 293	$ 27
1.0.2	Deputy Minister's Office	324	-	324	317	7
1.0.3	Performance and Evaluation	436	-	436	421	15
1.0.4	Program Design	842	-	842	1,280	(438)
1.0.5	Strategic Services	1,026	-	1,026	1,169	(143)
1.0.6	Regional Delivery Services	1,562	-	1,562	1,525	37
1.0.7	Information Technology Management					
	Operating Expense	4,826	-	4,826	9,442	(4,616)
	Capital Investment	973	-	973	417	556
1.0.8	Human Resources	2,815	-	2,815	3,756	(941)
1.0.9	Finance Division					
	Operating Expense	7,342	-	7,342	8,416	(1,074)
	Capital Investment	70	-	70	-	70
1.0.10	Communications	645	-	645	654	(9)
1.0.11	Achievement Bonus	-	1,076	1,076	1,076	-
		21,181	1,076	22,257	28,766	(6,509)
Program 2 - Income Support to Individuals and Families						
2.1.1	Program Support					
	Operating Expense	21,719	-	21,719	27,242	(5,523)
	Capital Investment	1,000	-	1,000	-	1,000
2.2.1	SFI-Program Delivery					
	Operating Expense	34,625	-	34,625	35,212	(587)
	Capital Investment	-	-	-	16	(16)
2.2.2	Family Maintenance	3,374	-	3,374	2,965	409
2.2.3	Supplement to Earnings	58,693	(6,626)	52,067	46,280	5,787
2.2.4	Temporary Support	96,807	(4,969)	91,838	88,001	3,837
2.2.5	Transitional Support	68,392	(2,485)	65,907	60,638	5,269
2.2.6	Assured Support	85,778	(2,484)	83,294	81,901	1,393
2.2.7	Shelters for Homeless Adults	7,000	-	7,000	9,350	(2,350)
2.3.1	Benefits for People not Expected to Work-Program Delivery	3,340	-	3,340	4,760	(1,420)
2.3.2	Widows' Pension	10,300	-	10,300	8,745	1,555
2.3.3	Assured Income for the Severely Handicapped	269,725	-	269,725	267,869	1,856
2.4.1	Child Health Benefits	12,803	-	12,803	11,104	1,699
		673,556	(16,564)	656,992	644,083	12,909
Program 3 - Training and Employment Support						
3.1.1	Program Delivery Support					
	Operating Expense	23,528	-	23,528	26,368	(2,840)
	Capital Investment	5,059	-	5,059	414	4,645
3.1.2	Professions and Occupations	190	-	190	203	(13)
3.2.1	Employment Preparation Programs	26,600	-	26,600	22,866	3,734
3.2.2	Special Needs Bursaries	1,100	-	1,100	1,169	(69)
3.2.3	Skills Development Training Grants	95,800	-	95,800	102,657	(6,857)
3.2.4	Employment Initiatives					
	Operating Expense	27,162	-	27,162	21,225	5,937
	Capital Investment	100	-	100	54	46
3.2.5	Youth Connections	5,000	-	5,000	5,214	(214)
3.2.6	Employability Council	-	-	-	26	(26)
3.3.1	Labour Market Development Agreement Benefits and Measures	88,692	-	88,692	94,673	(5,981)
		273,231	-	273,231	274,869	(1,638)

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SCHEDULE TO FINANCIAL STATEMENTS

COMPARISON OF EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Schedule 5
(continued)

For the year ended March 31, 2000

(in thousands)

		Adjusted Budget (a)	Voted Supplementary (b)	Authorized Budget	Current Year Actuals	Unexpended (Over Expended)
Program 4 - Workplace Services						
4.1.1	Workplace and Workforce Information	1,809	-	1,809	1,819	(10)
4.1.2	Mediation	435	-	435	433	2
4.1.3	Issues Management	620	-	620	602	18
4.2.1	Program Management	200	-	200	185	15
4.2.2	Occupational Health and Safety Council	30	-	30	16	14
4.2.3	Council on Workplace Safety	-	-	-	13	(13)
4.2.4	Legislation, Policy and Technical Support	1,100	-	1,100	1,223	(123)
4.2.5	Partnerships	615	-	615	672	(57)
4.2.6	Northern Regional Services	2,385	-	2,385	2,423	(38)
4.2.7	Southern Regional Services	2,385	-	2,385	2,318	67
4.3.1	Employment Standards Program Management	160	-	160	152	8
4.3.2	Registrar	165	-	165	174	(9)
4.3.3	Corporate Services	974	-	974	944	30
4.3.4	Northern Regional Services	1,590	-	1,590	1,430	160
4.3.5	Southern Regional Services	1,385	-	1,385	1,427	(42)
		13,853	-	13,853	13,831	22
Program 5 - Labour Relations Adjudication						
5.1.1	Labour Relations Board	1,800	-	1,800	2,253	(453)
		1,800	-	1,800	2,253	(453)
Program 6 - Personnel Administration Office						
6.1.1	Public Service Commissioner's Office	426	-	426	311	115
6.1.2	Corporate Human Resource Services	4,683	-	4,683	4,471	212
6.1.3	Information Management Services	1,283	-	1,283	1,338	(55)
6.2.1	Corporate Human Resource Research and Development	750	-	750	728	22
6.3.1	Achievement Bonus	-	235	235	235	-
		7,142	235	7,377	7,083	294
Program 7 - Supports to Dependent Adults						
7.0.1	Office of the Public Guardian	3,431	-	3,431	3,518	(87)
7.0.2	Support to Dependent Adult Agencies	1,449	-	1,449	1,231	218
7.0.3	Dependent Adult Appeals	120	-	120	87	33
		5,000	-	5,000	4,836	164
Total Voted Expenses		995,763	(15,253)	980,510	975,721	4,789
	Program Operating Expense	988,561	(15,253)	973,308	974,820	(1,512)
	Program Capital Investment	7,202	-	7,202	901	6,301
Total Voted Expenses		$ 995,763	$ (15,253)	$ 980,510	$ 975,721	$ 4,789

(a) Effective April 1, 1999 the Ministry of Human Resources and Employment was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and other transfers of responsibility authorized during the year.

(b) Supplementary Estimates were approved on March 14, 2000. Treasury Board approval is pursuant to section 29 (1.1) of the Financial Administration Act.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SALARY AND BENEFITS DISCLOSURE

DEPARTMENT OF HUMAN RESOURCES AND EMPLOYMENT

Schedule 6 (a)

For the year ended March 31, 2000

	2000			1999
	Salary[1][2]	Benefits and Allowances[1][3]	Total	Total
Current Executives[1]				
Deputy Minister[4]	149,918	30,352	180,270	133,896
Assistant Deputy Ministers				
Regional Delivery Services[5]	104,586	18,804	123,390	13,820
Program Design[6]	117,100	22,795	139,895	124,663
Performance Evaluation & Information Services[7]	36,548	5,394	41,942	-
Senior Financial Officer[8]	99,304	21,130	120,434	109,427
Chief Information Officer[9]	10,431	1,328	11,759	-
Other Executives				
Executive Director Strategic Services[10]	101,554	5,253	106,807	85,310
Executive Director Human Resources[11]	117,100	49,083	166,183	122,900
Former Executives:[1]				
Assistant Deputy Minister[12]	107,477	56,650	164,127	127,616
Chief Information Officer[13]	80,840	19,840	100,680	76,596

(1) Prepared in accordance with Treasury Board Directive 12/98. The schedule includes the salary and benefits of:

Current Executives

This includes the salary and benefits of the last incumbent. Where the last incumbent has held the position for part of the year, his/her salary and benefits as an executive in a previous position within the government reporting entity are also included.

Former Executives

This includes the salary and benefits of former executives who left the government during the year or who no longer hold an executive position with the government.

(2) Salary includes regular base pay, bonuses, and lump sum payments.

(3) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in benefits and allowances figures.

(5) As a result of the reorganization on May 25, 1999 the title of the position changed from Income and Support to Regional Delivery Service.

(6) As a result of the reorganization on May 25, 1999 the title of the position changed from Adult Services to Program Design.

(7) The incumbent joined the Department as an executive on December 6, 1999.Performance Evaluation and Information Services.

(8) Benefits and Allowances include vacation payout of $5,496.

(9) The incumbent joined the Department as an executive on March 1, 2000.

(10) Position created February 1, 2000 as a result of the reorganization on May 25, 1999.

(11) Benefits and Allowances include vacation payout of $26,262.

(12) The incumbent retired on March 31, 2000. Benefits and Allowances include a vacation payout of $41,000.

(13) The incumbent resigned on January 31, 2000. Benefits and Allowances include vacation payout of $4,875. Position was vacant through February 28, 2000.

MINISTRY OF HUMAN RESOURCES AND EMPLOYMENT

SALARY AND BENEFITS DISCLOSURE
PERSONNEL ADMINISTRATION OFFICE

Schedule 6 (b)

For the year ended March 31, 2000

	2000			1999
	Salary (1) (2)	**Benefits and Allowances** (1) (3)	**Total**	**Total**
Senior Official				
Public Service Commissioner (4)	159,380	12,319	171,699	159,000
Executives				
Executive Director - Human Resource Policy and Consulting	106,373	17,973	124,346	118,280
Executive Director - Client Relations and and Information Management (5)	95,926	14,887	110,813	113,068
Executive Search Manager	70,095	11,748	81,843	79,715
Manager - Human Resources and PSC Office	58,716	9,777	68,492	77,862

(1) Prepared in accordance with Treasury Board Directive 12/98. The schedule includes the salary and benefits of the last incumbent. Where the last incumbent has held the position for part of the year, his/her salary and benefits as an executive in a previous position within the government reporting entity are also included.

(2) Salary includes regular base pay, bonuses, and lump sum payments.

(3) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) The Public Service Commissioner is provided with an automobile. The value of this benefit is not included in benefits and allowances. Benefits and Allowances include vacation payout of $5,276. As of July 1, 1999 salary includes pay in lieu of pension.

(5) 1998/99 Salaries and Benefits include vacation payout of $4,840.

MINISTRY OF HUMAN RESOURCES & EMPLOYMENT

SALARY AND BENEFITS DISCLOSURE **Schedule 6 (c)**

LABOUR RELATIONS BOARD

For the year ended March 31, 2000

	2000			1999
	Salary [1][2]	**Benefits and Allowances [1][3]**	**Total**	**Total**
Senior Official				
Chair[3]	86,625	6,516	93,141	139,253
Chair[4]-	45,595	1,557	47,152	-
Executives				
Vice Chair[4]	68,788	2,954	71,742	113,479
Vice Chair	99,389	17,901	117,290	111,354
Director Settlement	87,690	13,557	101,247	91,536
Director Administration	55,887	9,049	64,936	59,615
Board Members[5]	274,698	-	274,698	147,503

(1) Salary includes regular base pay, bonuses, and lump sum payments.

(2) Benefits and allowances include the Ministry's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(3) The incumbent joined the Labour Relations Board as Chair on September 1, 1999. The Chair is provided with an automobile, no dollar amount is included in benefits and allowance figures.

(4) The Vice Chair was acting Chair from April 1, 1999 to August 31, 1999.

(5) Salaries include honoraria paid to Board Members and acting pay for Vice Chair for April 1, 1999 to August 31, 1999 ($115,958).

MINISTRY OF HUMAN RESOURCES & EMPLOYMENT

SALARY AND BENEFITS DISCLOSURE

RELATED PARTY TRANSACTIONS

For the year ended March 31, 2000

Schedule 7

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(in thousands)	
	2000	**1999**
Expenses:		
Other services	$ 2,362	$ 1,671
	$ 2,362	$ 1,671

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service.

These amounts are not recorded in the financial statements.

	(in thousands)	
	2000	**1999**
Expenses (notional):		
Accommodation	$ 15,353	$ 17,282
Other services	510	497
	$ 15,863	$ 17,779

Supplementary Ministry Financial Information

March 31, 2000

Contents:

- Long Term Disability Income Continuance Fund
  – Bargaining Unit Financial Statements
- Long Term Disability Income Continuance Fund
  – Management, Opted Out and Excluded Financial Statements

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT FINANCIAL STATEMENTS

March 31, 2000

- Auditor's Report
- Statement of Net Assets Available for Benefits and Accrued Long Term Disability Benefits
- Statement of Changes in Net Assets Available for Benefits
- Notes to the Financial Statements
- Schedule of Investments in Canadian Dollar Public Bond Pool
- Schedule of Investments in Canadian Pooled Equities Fund
- Schedule of Investments in Domestic Passive Equity Pooled Fund
- Schedule of Investments in External Managers Fund

AUDITOR'S REPORT

To the Minister Responsible for the Personnel Administration Office

I have audited the statement of net assets available for benefits and accrued long term disability benefits of the Long Term Disability Income Continuance Plan – Bargaining Unit as at March 31, 2000 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the net assets available for benefits and accrued long term disability benefits of the Plan as at March 31, 2000 and the changes in its net assets available for benefits for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
May 24, 2000

LONG TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG TERM DISABILITY BENEFITS

As at March 31, 2000

	(in thousands) 2000	1999
Net assets available for benefits		
Assets		
Investments (Note 3)	$ 99,492	$ 89,280
Accounts receivable	147	173
	99,639	89,453
Liabilities		
Accounts payable and accrued liabilities	407	742
Due to the LTDI Continuance Plan - Management, Opted Out and Excluded	-	1,711
	407	2,453
Net assets available for benefits	99,232	87,000
Accrued long term disability benefits (Note 6)	(96,592)	(87,674)
Actuarial surplus (deficiency) (Note 6)	**$ 2,640**	**$ (674)**

The accompanying notes and schedules are part of these financial statements

LONG TERM DISABILITY INCOME CONTINUANCE PLAN – BARGAINING UNIT

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended March 31, 2000

	(in thousands) 2000	(in thousands) 1999
Increase in assets		
Contributions:		
Employers	$ 7,503	$ 7,517
Employees	7,503	7,517
Investment income (Note 7)	17,034	5,943
Total increase in assets	32,040	20,977
Decrease in assets		
Benefits	16,796	16,503
Severance	1,550	624
Adjudication	867	767
Rehabilitation	427	128
Administration expenses (Note 8)	168	170
Total decrease in assets	19,808	18,192
Increase in net assets for the year	12,232	2,785
Net assets available for benefits at beginning of year	87,000	84,215
Net assets available for benefits at end of year	**$ 99,232**	**$ 87,000**

The accompanying notes and schedules are part of these financial statements.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT
NOTES TO THE FINANCIAL STATEMENTS

March 31, 2000

Note 1 Summary Description of the Plan

The following description of the Long Term Disability Income Continuance Plan for bargaining unit employees is a summary only. For a complete description of the Plan, reference should be made to section 21 of the Public Service Act, the Long Term Disability Income Continuance Plan Regulation, section 93 of the Financial Administration Act and Treasury Board Directive 08/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta employees included in an Alberta Union of Provincial Employee's bargaining unit. Management and employees opted out and excluded from an Alberta Union of Provincial Employee's bargaining unit are covered under a separate Plan.

(b) Funding

Long term disability benefits are funded equally by employer and employee contributions at rates which are expected to provide for all benefits payable under the Plan. The rates in effect are 1.55% (1999 – 1.55%) of insurable salary. The rates are to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary.

On March 30, 1998, the Government of Alberta provided a one-time contribution of $88,589,000 to the Plan, representing the Plan's accrued long term disability benefits as at December 31, 1997 as determined by the Plan's actuary. Any deficiencies incurred by the Plan are to be funded by increasing employer and employee contributions.

(c) Long Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position, or a full year in a temporary position. The Plan provides for benefits equalling to 70% of members' pre-disability salary. The maximum benefit payable is $3,000 per month for each member. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, or benefits under the Canada Pension Plan or any other group disability plan, or vacation leave pay or employment income under a rehabilitation program.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war, or injury or illness which are self-inflicted intentionally. Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment, or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as his pre-disability salary or after 24 months where the member is in a temporary position.

Note 1 **Summary Description of the Plan (continued)**

(d) Voluntary Retirement Incentive Program

In February 1999, the Government of Alberta and the Alberta Union of Provincial Employees (AUPE) agreed to a Voluntary Retirement Incentive Program. Participation in the program was voluntary and was available to employees included in an AUPE bargaining unit who were recipients of long term disability benefits but also qualified for an unreduced pension from the Public Service Pension Plan before June 30, 1999. Employees who resigned employment effective July 1, 1999 and agreed to forfeit all entitlements to long term disability benefits from the Long Term Disability Income Continuance Plan – Bargaining Unit received a lump sum benefit payment from the Plan.

(e) Decrease in Net Assets

Expenses of the Plan include benefits paid out, severance payments for resignation of employment subsequent to disability leave, rehabilitation expenses, adjudication fees and administrative costs. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices**

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year. They do not reflect the funding requirements of the Plan.

The majority of Plan investments are held in pooled investment funds administered by Alberta Treasury. Pooled investment funds have a market-based unit value that is used to allocate income to participants and to value purchases and sales of pool units.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices (continued)**

(a) Basis of Presentation (continued)

The Plan's percentage ownership in pooled investment funds at March 31 was as follows:

	% Ownership	
	2000	**1999**
Canadian Dollar Public Bond Pool	0.44	0.43
Canadian Pooled Equities Fund	0.53	0.56
Domestic Passive Equity Pooled Fund	0.48	0.44
External Managers Fund	0.42	0.48
EAFE Structured Equity Pooled Fund	0.50	-
Floating Rate Note Pool	0.04	-
US Passive Equity Pooled Fund	0.10	0.37
US Structured Equity Pooled Fund	0.59	-
Global Structured Equity Pooled Fund	-	0.61

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held either by the Plan or by pooled investment funds are explained in the following paragraphs.

Short-term securities, public fixed income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.

Private fixed income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by management.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange except for hedged foreign currency transactions, which are translated at rates of exchange established by the terms of the forward exchange contracts. At the year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices (continued)**

(e) Derivative Financial Instruments

Income and expense on index swaps and interest rate swaps are accrued as earned and included in investment income. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value. As explained in Notes 4 and 5, controls are in place respecting the use of derivatives.

Note 3 **Investments (Schedules 1 to 4)**

Investments are summarized as follows:

	(in thousands)			
	2000		1999	
	($)	%	($)	%
Deposit in the Consolidated Cash Investment Trust Fund (a)	$ (289)	(0.3)	$ 2,075	2.3
Fixed Income Securities				
Canadian Dollar Public Bond Pool (Schedule 1)	39,883	40.1	35,251	39.5
Floating Rate Note Pool (b)	1,049	1.1	-	-
Total deposits and fixed income securities	40,643	40.9	37,326	41.8
Canadian Equities				
Canadian Pooled Equities Fund (Schedule 2)	13,240	13.3	11,522	12.9
Domestic Passive Equity Pooled Fund (Schedule 3)	11,648	11.7	8,852	9.9
External Managers Fund (Canadian) (Schedule 4)	7,092	7.1	8,307	9.3
Foreign Equities				
External Managers Fund (Global) (Schedule 4)	9,688	9.7	10,186	11.4
External Managers Fund (United States) (Schedule 4)	11,167	11.2	2,335	2.6
EAFE Structured Equity Pooled Fund (c)	4,260	4.3	-	-
US Passive Equity Pooled Fund (d)	949	1.0	2,312	2.6
US Structured Equity Pooled Fund (e)	805	0.8	-	-
Global Structured Equity Pooled Fund	-	-	8,440	9.5
Total equities	58,849	59.1	51,954	58.2
Total Investments	**$ 99,492**	**100.0**	**$ 89,280**	**100.0**

(a) The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. As at March 31, 2000, benefit payments issued but not cashed exceeded deposits in the Fund by $289,000.

(b) The Floating Rate Note Pool is managed with the objective of generating floating rate cash flows needed for the swap obligations of participants with structured investments. Through the use of interest rate swaps, the pool provides investment opportunities in high quality floating rate instruments with remaining term to maturity of ten years or less.

Note 3 **Investments (Schedules 1 to 4) (continued)**

(c) The EAFE (Europe, Australia and Far East) Structured Equity Pooled Fund is managed with the objective of providing investment returns comparable to the total return of the Morgan Stanley Capital International EAFE Index. The pool provides exposure to foreign markets in Europe, Australia and Far East through the use of structured investments such as foreign equity index swaps. The pooled fund also invests in the Floating Rate Note Pool [see Note 3(b)] to generate the floating rate cash flows needed for its equity swap obligations.

(d) The US Passive Equity Pooled Fund is managed with the objective of attaining investment returns comparable to Standard & Poor's (S & P) 500 Total Return Index over a four-year period. The portfolio is comprised of publicly traded equities in the United States similar in weights to the S & P 500 Index. To enhance investment returns with no substantial increase in risks, the pooled fund also invests in futures, swaps and other structured investments.

(e) The US Structured Equity Pooled Fund is in the process of orderly liquidation.

Note 4 **Investment Risk Management**

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices.

Actuarial liabilities of the Plan are primarily affected by the long term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, the Public Service Commissioner established a policy asset mix of 40% to 50% fixed income instruments and 50% to 60% equities. Risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions on amounts exposed to countries designated as emerging markets. Borrowing or leveraging is not allowed. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 **Derivatives - Index Swaps, Interest Rate Swaps, Foreign Exchange and Futures Contracts**

Pooled funds use index and interest rate swaps to enhance return and for hedging risks. A swap is a contractual agreement between two parties to exchange a series of cash flows based on a notional amount and does not involve the exchange of the underlying principal. An index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional value. There are underlying securities supporting all swaps. Leveraging is not allowed.

Note 5 **Derivatives - Index Swaps, Interest Rate Swaps, Foreign Exchange and Futures Contracts (continued)**

The following is a summary of the Plan's proportionate share of the current and contractual notional value of index and interest rate swaps held or issued by pooled funds at March 31, 2000:

(in thousands)

	2000				1999
	Remaining term to maturity				
	Under 1 year	1 to 3 years	Over 3 years	Total	Total
Index swaps					
Canadian equities					
Domestic Passive Equity Pooled Fund	$ 5,707	$ -	$ -	$ 5,707	$ 3,384
Foreign equities					
EAFE Structured Equity Pooled Fund	4,231	-	-	4,231	-
US Passive Equity Pooled Fund	963	-	-	963	2,282
US Structured Equity Pooled Fund	793	-	-	793	
Global Structured Equity Pooled Fund	-	-	-	-	8,295
Bonds - Canadian Dollar Public Bond Pool	2,902	2,144	-	5,046	6,614
Interest rate swaps					
Fixed to floating rates					
Canadian Dollar Public Bond Pool	454	2,311	2,540	5,305	4,753
Domestic Passive Equity Pooled Fund	552	1,454	1,168	3,174	2,571
EAFE Structured Equity Pooled Fund	447	1,279	1,027	2,753	-
US Passive Equity Pooled Fund	57	157	51	265	207
US Structured Equity Pooled Fund	78	223	179	480	-
Floating Rate Note Pool	124	355	285	764	-
Global Structured Equity Pooled Fund	-	-	-	-	5,907
	$16,308	**$ 7,923**	**$ 5,250**	**$ 29,481**	**$34,013**

Fair values of swaps have been included in the determination of the fair values of the respective pooled investment funds. Credit exposure relating to swaps is minimal as management deals only with counter-parties rated not less than AA.

Foreign exchange contracts are contractual agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future. As at March 31, 2000, the Plan's proportionate share of outstanding forward foreign exchange contracts issued by the External Managers Fund amounted to $1,373,000 (1999: $2,262,000).

Stock index futures contracts are contractual agreements to pay or receive specified currencies based on the variances of a specified stock index between an agreed level and the actual level on an agreed date in the future. As at March 31, 2000, the Plan's proportionate share of outstanding stock index futures contracts issued by the External Managers Fund amounted to $14,000 (1999: $129,000).

Note 6 Accrued Long Term Disability Benefits

(a) Actuarial Valuation

An actuarial valuation of the Plan was carried out as at March 31, 2000 by Johnson Incorporated. The March 31, 2000 valuation resulted in an actuarial surplus of $2.6 million as disclosed in the statement of net assets available for benefits and accrued long term disability benefits.

The accrued long term disability benefits as at March 31, 2000 was determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve. The assumptions used in the valuation were developed as the best estimate of expected short and long term market conditions and other future events. These estimates were, after consultation with the Plan's actuary, adopted by the Public Service Commissioner. The major assumptions used were:

	March 31 2000 Valuation	March 31 1999 Valuation
	%	
Interest discount rate	7.5	8.5
Continuance rates		
Based on 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	37	30

* The rates have been modified by both age and duration to reflect adjudication practices respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 7.5%.

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, the actuary determined a reserve factor of 37% of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long term disability benefits. The periods presented coincide with the performance of the actuarial valuations carried out at December 31, 1997, March 31, 1999 and March 31, 2000.

Note 6 Accrued Long Term Disability Benefits (continued)

	(in thousands)			
	Year Ended March 31, 2000		Fifteen Months Ended March 31, 1999	
	($)			
Accrued long term disability benefits at beginning of period	$	87,674	$	88,589
Interest accrued on benefits		7,452		9,514
Change in actuarial assumption of interest discount rate from 8.5% to 7.5%		4,436		-
Change in actuarial assumption of incurred but unreported reserve factor from 30% to 37%		1,050		-
Net experience gains		(680)		(6,429)
Contributions received		15,006		18,500
Benefits paid		(18,346)		(22,500)
Accrued long term disability benefits at end of period	**$**	**96,592**	**$**	**87,674**

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2000, holding the continuance rates and incurred but unreported reserve factor constant, a 1% decrease in the assumed interest discount rate would result in the actuarial surplus of the Plan changing from a surplus of $2.6 million to a deficiency of $1.8 million.

Note 7 **Investment Income**

	(in thousands)			
	2000			1999
	Income (a)	Change in Fair Value	Total	Total
Deposits and Fixed Income Securities:				
Deposit in the Consolidated Cash Investment Trust Fund	$ 104	$ -	$ 104	$ 3,187
Canadian Dollar Public Bond Pool	1,961	(1,393)	568	892
Floating Rate Note Pool	28	(14)	14	-
	2,093	(1,407)	686	4,079
Equities:				
Canadian Pooled Equities Fund	191	4,546	4,737	382
Domestic Passive Equity Pooled Fund	1,981	2,170	4,151	202
External Managers Fund (Canadian)	75	1,513	1,588	(43)
External Managers Fund (Global)	109	2,585	2,694	271
EAFE Structured Equity Pooled Fund	1,270	48	1,318	-
External Managers Fund (United States)	85	910	995	224
US Passive Equity Pooled Fund	162	(83)	79	138
US Structured Equity Pooled Fund	142	26	168	-
Global Structured Equity Pooled Fund	630	(12)	618	690
	4,645	11,703	16,348	1,864
	$ 6,738	**$ 10,296**	**$ 17,034**	**$ 5,943**

(a) Income is comprised of dividends and interest net of pooled funds management and associated custodial fees.

Note 8 **Administration Expenses**

	(in thousands)	
	2000	1999
General administration costs	$ 99	$ 101
Investment management fees and other services	72	72
Bad debt recoveries	(3)	(3)
	$ 168	**$ 170**

Investment management costs were paid to Alberta Treasury and do not include custodial and pooled fund management fees, which have been deducted in arriving at investment income.

Accommodation and certain administration costs, including salaries, benefits and telecommunication services incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 **Budget Information**

The accrued long term disability benefits are based on the Public Service Commissioner's best estimates of future events after consultation with the Plan's actuary. Differences between actual results and the Commissioner's expectations are disclosed in Note 6 as experience gains and losses in the table of changes in the value of accrued long term disability benefits. Accordingly, a budget is not included in these financial statements.

Note 10 **Contingent Liabilities**

As at March 31, 2000, the Province was named as defendant in three (1999: two) legal actions relating to long term disability benefits claims. The total claimed in specific legal actions amounts to approximately $650,000 (1999: $209,000). The resulting loss, if any, from these claims and other potential claims cannot be determined.

Note 11 **Approval of Financial Statements**

These financial statements were prepared by management and approved by the Public Service Commissioner.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN— BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN CANADIAN DOLLAR PUBLIC BOND POOL (a) (b)

Schedule 1

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 743	$ 169,293	$ 497	$ 114,298
Public Fixed Income Securities				
Government of Canada, direct and guaranteed	10,648	2,426,718	9,692	2,230,533
Provincial:				
Alberta, direct and guaranteed	157	35,918	840	193,244
Other, direct and guaranteed	6,096	1,389,327	4,598	1,058,095
Municipal	331	75,484	360	82,892
Corporate	16,913	3,854,537	13,950	3,210,563
Private Fixed Income Securities				
Corporate	4,667	1,063,445	4,889	1,125,242
Total deposit and fixed-income securities	39,555	9,014,722	34,826	8,014,867
Receivable from sale of investments and accrued investment income	1,370	312,369	859	197,596
Liabilities for investment purchases	(1,042)	(237,442)	(434)	(99,845)
	328	74,927	425	97,751
	$ 39,883	**$9,089,649**	**$ 35,251**	**$8,112,618**

(a) The Canadian Dollar Public Bond Pool is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Markets Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt-related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation.

(b) Fixed income securities held as at March 31, 2000 had an average effective current yield of 6.39% per annum (1999: 5.51% per annum) based on market value. The following term structure of these securities as at March 31, 2000 is based on par value.

	2000	1999
	%	%
under 1 year	9	10
1 to 5 years	35	37
5 to 10 years	29	24
10 to 20 years	15	21
over 20 years	12	8
	100	**100**

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN CANADIAN POOLED EQUITIES FUND (a)

Schedule 2

March 31, 2000

	(in thousands)			
	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 87	$ 16,493	$ 68	$ 12,121
Canadian Public Equities (b)				
Common shares and rights:				
Communications and media	1,007	190,218	785	139,379
Conglomerates	547	103,341	645	114,522
Consumer products	304	57,390	555	98,452
Financial services	1,485	280,504	2,455	435,832
Gold and precious minerals	325	61,332	503	89,329
Industrial products	3,903	737,472	2,364	419,610
Merchandising	106	19,990	284	50,417
Metal and minerals	449	84,864	376	66,756
Oil and gas	1,193	225,484	865	153,484
Paper and forest products	393	74,197	231	40,913
Pipelines	193	36,399	301	53,368
Real estate and construction	173	32,746	278	49,262
Transportation and environmental services	155	29,319	290	51,555
Utilities	2,694	509,085	1,396	247,889
Passive index	-	-	151	26,883
	12,927	2,442,341	11,479	2,037,651
Receivable from sale of investments and accrued investment income	385	72,858	72	12,722
Liabilities for investment purchases	(159)	(30,114)	(97)	(17,086)
	226	42,744	(25)	(4,364)
	$ 13,240	**$2,501,578**	**$ 11,522**	**$2,045,408**

(a) The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the Toronto Stock Exchange 300 Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations. Risk is reduced by prudent security selection and sector rotation.

(b) The industrial classifications are those used by the Toronto Stock Exchange.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN DOMESTIC PASSIVE EQUITY POOLED FUND (a)

Schedule 3

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 1,065	$ 220,477	$ 30	$ 6,772
Fixed income securities, corporate	43	8,965	56	12,790
Floating Rate Note Pool	4,295	889,331	2,873	650,930
	5,403	1,118,773	2,959	670,492
Canadian Public Equities (b)				
Common shares and rights:				
Communications and media	489	101,191	451	102,204
Conglomerates	137	28,325	168	37,986
Consumer products	223	46,206	243	55,059
Financial services	320	66,292	1,028	232,892
Gold and precious minerals	148	30,685	236	53,591
Industrial products	2,149	444,906	1,053	238,625
Merchandising	179	36,989	213	48,171
Metal and minerals	152	31,535	174	39,670
Oil and gas	501	103,662	501	113,447
Paper and forest products	183	37,883	157	35,617
Pipelines	72	14,998	138	31,167
Real estate and construction	79	16,451	117	26,571
Transportation and environmental services	77	15,862	111	25,232
Utilities	943	195,204	645	146,243
	5,652	1,170,189	5,235	1,186,475
Other	-	-	643	145,648
	5,652	1,170,189	5,878	1,332,123
Receivable from sale of investments and accrued investment income	602	124,672	29	6,518
Liabilities for investment purchases	(9)	(1,938)	(14)	(3,271)
	593	122,734	15	3,247
	$ 11,648	**$2,411,696**	**$ 8,852**	**$2,005,862**

(a) The Domestic Passive Equity Pooled Fund is managed on a passive approach with the objective of providing investment returns comparable to the Toronto Stock Exchange (TSE) 300 Index. A portion of the portfolio is comprised of publicly traded Canadian equities and structured investments replicating various domestic equity indices.

(b) The industrial classifications are those used by the Toronto Stock Exchange.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — BARGAINING UNIT

SCHEDULE OF INVESTMENTS IN EXTERNAL MANAGERS FUND (a)(b) **Schedule 4**

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Foreign Public Equity Pools				
Multi Region	$ 2,992	$ 950,119	$ 5,544	$1,086,288
Europe	3,387	1,026,874	1,645	801,758
Pacific Basin	2,873	869,329	293	522,234
Emerging markets	436	77,867	2,704	51,304
	9,688	2,924,189	10,186	2,461,584
United States	11,167	2,096,636	2,335	639,590
Canadian Public Equity Pools				
Large Cap	3,512	1,160,542	4,744	800,564
Small Cap	3,580	506,522	3,563	437,043
	7,092	1,667,064	8,307	1,237,607
	$ 27,947	**$6,687,889**	**$ 20,828**	**$4,338,781**

(a) The External Managers Fund is managed by external managers with expertise in global and Canadian equity markets. The objective of the fund is to provide investment returns higher than the total return of the applicable Morgan Stanley Capital International, Standard & Poor and Toronto Stock Exchange indices over a four-year period. The portfolio is comprised of publicly traded equity securities on Canadian and approved foreign markets. Risk is reduced through manager, style and market diversification.

(b) The following is a summary of assets and liabilities of the External Managers Fund as at March 31, 2000:

(in thousands)

	2000	1999
Cash and short-term securities	$ 135,273	$ 109,079
Receivables from sale of investments and accrued investment income	57,514	27,890
Investments		
Public equities	6,560,001	4,239,151
Convertible bonds	1,112	1,302
Liability for investment purchases	(66,011)	(38,641)
	$ 6,687,889	**$ 4,338,781**

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED FINANCIAL STATEMENTS

March 31, 2000

- Auditor's Report
- Statement of Net Assets Available for Benefits and
  Accrued Long Term Disability Benefits
- Statement of Changes in Net Assets Available for Benefits
- Notes to the Financial Statements
- Schedule of Investments in Canadian Dollar Public Bond Pool
- Schedule of Investments in Canadian Pooled Equities Fund
- Schedule of Investments in Domestic Passive Equity Pooled Fund
- Schedule of Investments in External Managers Fund

AUDITOR'S REPORT

To the Minister Responsible for the Personnel Administration Office

I have audited the statement of net assets available for benefits and accrued long term disability benefits of the Long Term Disability Income Continuance Plan – Management, Opted Out and Excluded as at March 31, 2000 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the net assets available for benefits and accrued long term disability benefits of the Plan as at March 31, 2000 and the changes in its net assets available for benefits for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
May 24, 2000

LONG TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG TERM DISABILITY BENEFITS

As at March 31, 2000

	2000	1999
Net assets available for benefits		
Assets		
Investments (Note 3)	$ 16,370	$ 12,437
Accounts receivable	31	37
Due from the LTDI Continuance Plan - Bargaining Unit	-	1,711
	16,401	14,185
Liabilities		
Accounts payable and accrued liabilities	90	164
Net assets available for benefits	16,311	14,021
Accrued long term disability benefits (Note 6)	(17,111)	(14,294)
Actuarial deficiency (Note 6)	$ (800)	$ (273)

The accompanying notes and schedules are part of these financial statements

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended March 31, 2000

	(in thousands) 2000	1999
Increase in assets		
Employer contributions	$ 2,902	$ 2,540
Investment income (Note 7)	2,628	991
Total increase in assets	5,530	3,531
Decrease in assets		
Benefits	3,088	2,825
Adjudication	80	52
Rehabilitation	14	5
Administration expenses (Note 8)	58	77
Total decrease in assets	3,240	2,959
Increase in net assets for the year	2,290	572
Net assets available for benefits at beginning of year	14,021	13,449
Net assets available for benefits at end of year	$ 16,311	$ 14,021

The accompanying notes and schedules are part of these financial statements.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2000

Note 1 Summary Description of the Plan

The following description of the Long Term Disability Income Continuance Plan for management, opted out and excluded employees is a summary only. For a complete description of the Plan, reference should be made to section 21 of the Public Service Act, the Long Term Disability Income Continuance Plan Regulation, the Long Term Disability Benefits Regulation (Legislative Assembly Act), section 93 of the Financial Administration Act and Treasury Board Directive 09/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta management, opted out and excluded employees, members of the Legislative Assembly and Provincial Judges. Employees included in an Alberta Union of Provincial Employee's bargaining unit are covered under a separate Plan.

(b) Funding

Long term disability benefits are funded by employer and Government contributions at a rate which is expected to provide for all benefits payable under the Plan. The rate in effect is 1.1% (1999 – 1.0%) of insurable salary. The rate is to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary.

On March 30, 1998, the Government of Alberta provided a one-time contribution of $13,698,000 to the Plan, representing the Plan's accrued long term disability benefits as at December 31, 1997 as determined by the Plan's actuary. Any deficiencies incurred by the Plan are to be funded by increasing employer contributions.

(c) Long Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position, or a full year in a temporary position. The Plan provides for benefits equalling to 70% of members' pre-disability salary, subject to maximum limits as determined for each member group. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, or benefits under the Canada Pension Plan or any other group disability plan, or vacation leave pay or employment income under a rehabilitation program.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war, or injury or illness which are self-inflicted intentionally. Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Note 1 Summary Description of the Plan (continued)

(c) Long Term Disability Benefits (continued)

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment, or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as his pre-disability salary or after 24 months where the member is in a temporary position.

(d) Decrease in Net Assets

Expenses of the Plan include benefits paid out, severance payments for resignation of employment subsequent to disability leave, rehabilitation expenses, adjudication fees and administrative costs. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year. They do not reflect the funding requirements of the Plan.

The majority of Plan investments are held in pooled investment funds administered by Alberta Treasury. Pooled investment funds have a market-based unit value that is used to allocate income to participants and to value purchases and sales of pool units.

The Plan's percentage ownership in pooled investment funds at March 31 was as follows:

	% Ownership	
	2000	1999
Canadian Dollar Public Bond Pool	0.07	0.06
Canadian Pooled Equities Fund	0.08	0.08
Domestic Passive Equity Pooled Fund	0.08	0.06
External Managers Fund	0.07	0.06
EAFE Structured Equity Pooled Fund	0.08	-
Floating Rate Note Pool	0.01	-
US Passive Equity Pooled Fund	0.02	0.05
US Structured Equity Pooled Fund	0.11	-
Global Structured Equity Pooled Fund	-	0.09

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held either by the Plan or by pooled investment funds are explained in the following paragraphs.

Short-term securities, public fixed income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.

Private fixed income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by management.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange except for hedged foreign currency transactions, which are translated at rates of exchange established by the terms of the forward exchange contracts. At the year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income.

(e) Derivative Financial Instruments

Income and expense on index swaps and interest rate swaps are accrued as earned and included in investment income. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value. As explained in Notes 4 and 5, controls are in place respecting the use of derivatives.

Note 3 **Investments (Schedules 1 to 4)**

Investments are summarized as follows:

	(in thousands)			
	2000		1999	
	($)	%	($)	%
Deposit in the Consolidated Cash Investment Trust Fund (a)	$ (5)	-	$ 259	2.1
Fixed Income Securities				
Canadian Dollar Public Bond Pool (Schedule 1)	6,528	39.9	4,947	39.8
Floating Rate Note Pool (b)	175	1.1	-	-
Total deposits and fixed income securities	6,698	41.0	5,206	41.9
Canadian Equities				
Canadian Pooled Equities Fund (Schedule 2)	2,087	12.7	1,603	12.8
Domestic Passive Equity Pooled Fund (Schedule 3)	1,963	12.0	1,228	9.9
External Managers Fund (Canadian) (Schedule 4)	1,177	7.2	1,144	9.2
Foreign Equities				
External Managers Fund (Global) (Schedule 4)	1,586	9.7	1,345	10.8
External Managers Fund (United States) (Schedule 4)	1,821	11.1	332	2.7
EAFE Structured Equity Pooled Fund (c)	724	4.4	-	-
US Passive Equity Pooled Fund (d)	170	1.0	329	2.6
US Structured Equity Pooled Fund (e)	144	0.9	-	-
Global Structured Equity Pooled Fund	-	-	1,250	10.1
Total equities	9,672	59.0	7,231	58.1
Total Investments	$ 16,370	100.0	$ 12,437	100.0

(a) The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. As at March 31, 2000, benefit payments issued but not cashed exceeded deposits in the Fund by $5,000.

(b) The Floating Rate Note Pool is managed with the objective of generating floating rate cash flows needed for the swap obligations of participants with structured investments. Through the use of interest rate swaps, the pool provides investment opportunities in high quality floating rate instruments with remaining term to maturity of ten years or less.

(c) The EAFE (Europe, Australia and Far East) Structured Equity Pooled Fund is managed with the objective of providing investment returns comparable to the total return of the Morgan Stanley Capital International EAFE Index. The pool provides exposure to foreign markets in Europe, Australia and Far East through the use of structured investments such as foreign equity index swaps. The pooled fund also invests in the Floating Rate Note Pool [see Note 3(b)] to generate the floating rate cash flows needed for its equity swap obligations.

Note 3 **Investments (Schedules 1 to 4) (continued)**

(d) The US Passive Equity Pooled Fund is managed with the objective of attaining investment returns comparable to Standard & Poor's (S & P) 500 Total Return Index over a four-year period. The portfolio is comprised of publicly traded equities in the United States similar in weights to the S & P 500 Index. To enhance investment returns with no substantial increase in risks, the pooled fund also invests in futures, swaps and other structured investments.

(e) The US Structured Equity Pooled Fund is in the process of orderly liquidation.

Note 4 **Investment Risk Management**

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices.

Actuarial liabilities of the Plan are primarily affected by the long term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, the Public Service Commissioner established a policy asset mix of 40% to 50% fixed income instruments and 50% to 60% equities. Risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions on amounts exposed to countries designated as emerging markets. Borrowing or leveraging is not allowed. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 **Derivatives - Index Swaps, Interest Rate Swaps, Foreign Exchange and Futures Contracts**

Pooled funds use index and interest rate swaps to enhance return and for hedging risks. A swap is a contractual agreement between two parties to exchange a series of cash flows based on a notional amount and does not involve the exchange of the underlying principal. An index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional value. There are underlying securities supporting all swaps. Leveraging is not allowed.

Note 5 **Derivatives - Index Swaps, Interest Rate Swaps, Foreign Exchange and Futures Contracts (continued)**

The following is a summary of the Plan's proportionate share of the current and contractual notional value of index and interest rate swaps held or issued by pooled funds at March 31, 2000:

(in thousands)

	2000				1999
	Remaining term to maturity				
	Under 1 year	1 to 3 years	Over 3 years	Total	Total
Index swaps					
Canadian equities					
Domestic Passive Equity Pooled Fund	$ 962	$ -	$ -	$ 962	$ 470
Foreign equities					
EAFE Structured Equity Pooled Fund	719	-	-	719	-
US Passive Equity Pooled Fund	173	-	-	173	324
US Structured Equity Pooled Fund	142	-	-	142	-
Global Structured Equity Pooled Fund	-	-	-	-	1,228
Bonds - Canadian Dollar Public Bond Pool	475	351	-	826	928
Interest rate swaps					
Fixed to floating rates					
Canadian Dollar Public Bond Pool	74	378	416	868	667
Domestic Passive Equity Pooled Fund	93	245	197	535	357
EAFE Structured Equity Pooled Fund	76	217	175	468	-
US Passive Equity Pooled Fund	10	28	9	47	29
US Structured Equity Pooled Fund	14	40	32	86	-
Floating Rate Note Pool	21	59	48	128	-
Global Structured Equity Pooled Fund	-	-	-	-	875
	$2,759	$1,318	$ 877	$4,954	$4,878

Fair values of swaps have been included in the determination of the fair values of the respective pooled investment funds. Credit exposure relating to swaps is minimal as management deals only with counter-parties rated not less than AA.

Foreign exchange contracts are contractual agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future. As at March 31, 2000, the Plan's proportionate share of outstanding forward foreign exchange contracts issued by the External Managers Fund amounted to $214,000 (1999: $305,000).

Stock index futures contracts are contractual agreements to pay or receive specified currencies based on the variances of a specified stock index between an agreed level and the actual level on an agreed date in the future. As at March 31, 2000, the Plan's proportionate share of outstanding stock index futures contracts issued by the External Managers Fund amounted to $2,000 (1999: $16,000).

Note 6 Accrued Long Term Disability Benefits

(a) Actuarial Valuation

An actuarial valuation of the Plan was carried out as at March 31, 2000 by Johnson Incorporated. The March 31, 2000 valuation resulted in an actuarial deficiency of $0.8 million as disclosed in the statement of net assets available for benefits and accrued long term disability benefits.

The accrued long term disability benefits as at March 31, 2000 was determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve. The assumptions used in the valuation were developed as the best estimate of expected short and long term market conditions and other future events. These estimates were, after consultation with the Plan's actuary, adopted by the Public Service Commissioner. The major assumptions used were:

	March 31, 2000 Valuation	March 31, 1999 Valuation
	%	
Interest discount rate	7.5	8.5
Continuance rates		
Based on 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	32	30

* The rates have been modified by both age and duration to reflect adjudication practices respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 7.5%.

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, the actuary determined a reserve factor of 32% of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long term disability benefits. The periods presented coincide with the performance of the actuarial valuations carried out at December 31, 1997, March 31, 1999 and March 31, 2000.

Note 6 Accrued Long Term Disability Benefits (continued)

(a) Actuarial Valuation (continued)

(in thousands)

	Year Ended March 31, 2000	Fifteen Months Ended March 31, 1999
Accrued long term disability benefits at beginning of period	$ 14,294	$ 13,698
Interest accrued on benefits	1,215	1,471
Change in actuarial assumption of interest discount rate from 8.5% to 7.5%	678	-
Change in actuarial assumption of incurred but unreported reserve factor from 30% to 32%	58	-
Net experience losses	1,052	25
Contributions received	2,902	3,100
Benefits paid	(3,088)	(4,000)
Accrued long term disability benefits at end of period	$ 17,111	$ 14,294

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2000, holding the continuance rates and incurred but unreported reserve factor constant, a 1% decrease in the assumed interest discount rate would result in the actuarial deficiency of the Plan increasing from $0.8 million to $1.5 million.

Note 7 Investment Income

	2000			1999
	Income (a)	Change in Fair Value	Total	Total
	(in thousands)			
Deposits and Fixed Income Securities:				
Deposit in the Consolidated Cash Investment Trust Fund	$ 18	$ -	$ 18	$ 614
Canadian Dollar Public Bond Pool	300	(191)	109	117
Floating Rate Note Pool	4	(2)	2	-
	322	(193)	129	731
Equities:				
Canadian Pooled Equities Fund	28	683	711	53
Domestic Passive Equity Pooled Fund	320	326	646	28
External Managers Fund (Canadian)	12	240	252	(6)
External Managers Fund (Global)	15	378	393	36
EAFE Structured Equity Pooled Fund	218	(7)	211	-
External Managers Fund (United States)	14	142	156	31
US Passive Equity Pooled Fund	28	(17)	11	19
US Structured Equity Pooled Fund	31	(3)	28	-
Global Structured Equity Pooled Fund	92	(1)	91	99
	758	1,741	2,499	260
	$ 1,080	**$ 1,548**	**$ 2,628**	**$ 991**

(a) Income is comprised of dividends and interest net of pooled funds management and associated custodial fees.

Note 8 Administration Expenses

	2000	1999
	(in thousands)	
General administration costs	$ 18	$ 18
Investment management fees and other services	40	59
	$ 58	**$ 77**

Investment management costs were paid to Alberta Treasury and do not include custodial and pooled fund management fees, which have been deducted in arriving at investment income.

Accommodation and certain administration costs, including salaries, benefits and telecommunication services incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 **Budget Information**

The accrued long term disability benefits are based on the Public Service Commissioner's best estimates of future events after consultation with the Plan's actuary. Differences between actual results and the Commissioner's expectations are disclosed in Note 6 as experience gains and losses in the table of changes in the value of accrued long term disability benefits. Accordingly, a budget is not included in these financial statements.

Note 10 **Approval of Financial Statements**

These financial statements were prepared by management and approved by the Public Service Commissioner.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN CANADIAN DOLLAR PUBLIC BOND POOL (a) (b)

Schedule 1

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 122	$ 169,293	$ 70	$ 114,298
Public Fixed Income Securities				
Government of Canada, direct and guaranteed	1,743	2,426,718	1,360	2,230,533
Provincial:				
Alberta, direct and guaranteed	26	35,918	118	193,244
Other, direct and guaranteed	998	1,389,327	645	1,058,095
Municipal	54	75,484	50	82,892
Corporate	2,768	3,854,537	1,958	3,210,563
Private Fixed Income Securities				
Corporate	764	1,063,445	686	1,125,242
Total deposit and fixed-income securities	6,475	9,014,722	4,887	8,014,867
Receivable from sale of investments and accrued investment income	224	312,369	121	197,596
Liabilities for investment purchases	(171)	(237,442)	(61)	(99,845)
	53	74,927	60	97,751
	$ 6,528	**$ 9,089,649**	**$ 4,947**	**$ 8,112,618**

(a) The Canadian Dollar Public Bond Pool is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Markets Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt-related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation.

(b) Fixed income securities held as at March 31, 2000 had an average effective current yield of 6.39% per annum (1999: 5.51% per annum) based on market value. The following term structure of these securities as at March 31, 2000 is based on par value.

	2000	1999
	%	%
under 1 year	9	10
1 to 5 years	35	37
5 to 10 years	29	24
10 to 20 years	15	21
over 20 years	12	8
	100	**100**

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN CANADIAN POOLED EQUITIES FUND (a)

Schedule 2

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 14	$ 16,493	$ 9	$ 12,121
Canadian Public Equities (b)				
Common shares and rights:				
Communications and media	159	190,218	109	139,379
Conglomerates	86	103,341	90	114,522
Consumer products	48	57,390	77	98,452
Financial services	234	280,504	342	435,832
Gold and precious minerals	51	61,332	70	89,329
Industrial products	615	737,472	329	419,610
Merchandising	17	19,990	40	50,417
Metal and minerals	71	84,864	52	66,756
Oil and gas	188	225,484	120	153,484
Paper and forest products	62	74,197	32	40,913
Pipelines	30	36,399	42	53,368
Real estate and construction	27	32,746	39	49,262
Transportation and environmental services	24	29,319	40	51,555
Utilities	425	509,085	194	247,889
Passive index	-	-	21	26,883
	2,037	2,442,341	1,597	2,037,651
Receivable from sale of investments and accrued investment income	61	72,858	10	12,722
Liabilities for investment purchases	(25)	(30,114)	(13)	(17,086)
	36	42,744	(3)	(4,364)
	$ 2,087	**$ 2,501,578**	**$ 1,603**	**$ 2,045,408**

(a) The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the Toronto Stock Exchange 300 Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations. Risk is reduced by prudent security selection and sector rotation.

(b) The industrial classifications are those used by the Toronto Stock Exchange.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN — MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN DOMESTIC PASSIVE EQUITY POOLED FUND (a) **Schedule 3**

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Deposit in the Consolidated Cash Investment Trust Fund	$ 180	$ 220,477	$ 4	$ 6,772
Fixed income securities, corporate	7	8,965	8	12,790
Floating Rate Note Pool	724	889,331	398	650,930
	911	1,118,773	410	670,492
Canadian Public Equities (b)				
Common shares and rights:				
Communications and media	82	101,191	62	102,204
Conglomerates	23	28,325	23	37,986
Consumer products	38	46,206	34	55,059
Financial services	54	66,292	142	232,892
Gold and precious minerals	25	30,685	33	53,591
Industrial products	362	444,906	146	238,625
Merchandising	30	36,989	29	48,171
Metal and minerals	26	31,535	24	39,670
Oil and gas	84	103,662	69	113,447
Paper and forest products	31	37,883	22	35,617
Pipelines	12	14,998	19	31,167
Real estate and construction	13	16,451	16	26,571
Transportation and environmental services	13	15,862	15	25,232
Utilities	159	195,204	90	146,243
	952	1,170,189	724	1,186,475
Other	-	-	88	145,648
	952	1,170,189	812	1,332,123
Receivable from sale of investments and accrued investment income	102	124,672	8	6,518
Liabilities for investment purchases	(2)	(1,938)	(2)	(3,271)
	100	122,734	6	3,247
	$ 1,963	**$2,411,696**	**$ 1,228**	**$2,005,862**

(a) The Domestic Passive Equity Pooled Fund is managed on a passive approach with the objective of providing investment returns comparable to the Toronto Stock Exchange (TSE) 300 Index. A portion of the portfolio is comprised of publicly traded Canadian equities and structured investments replicating various domestic equity indices.

(b) The industrial classifications are those used by the Toronto Stock Exchange.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN – MANAGEMENT, OPTED OUT AND EXCLUDED

SCHEDULE OF INVESTMENTS IN EXTERNAL MANAGERS FUND (a)(b)

Schedule 4

March 31, 2000

(in thousands)

	2000		1999	
	Plan's Share	**Total Pool**	**Plan's Share**	**Total Pool**
Foreign Public Equity Pools				
Multi Region	$ 482	$ 950,119	$ 682	$1,086,288
Europe	547	1,026,874	233	801,758
Pacific Basin	479	869,329	46	522,234
Emerging markets	78	77,867	384	51,304
	1,586	2,924,189	1,345	2,461,584
United States	1,821	2,096,636	332	639,590
Canadian Public Equity Pools				
Large Cap	570	1,160,542	642	800,564
Small Cap	607	506,522	502	437,043
	1,177	1,667,064	1,144	1,237,607
	$ 4,584	**$6,687,889**	**$ 2,821**	**$4,338,781**

(a) The External Managers Fund is managed by external managers with expertise in global and Canadian equity markets. The objective of the fund is to provide investment returns higher than the total return of the applicable Morgan Stanley Capital International, Standard & Poor and Toronto Stock Exchange indices over a four-year period. The portfolio is comprised of publicly traded equity securities on Canadian and approved foreign markets. Risk is reduced through manager, style and market diversification.

(b) The following is a summary of assets and liabilities of the External Managers Fund as at March 31, 2000:

(in thousands)

	2000	1999
Cash and short-term securities	$ 135,273	$ 109,079
Receivables from sale of investments and accrued investment income	57,514	27,890
Investments		
Public equities	6,560,001	4,239,151
Convertible bonds	1,112	1,302
Liability for investment purchases	(66,011)	(38,641)
	$ 6,687,889	**$ 4,338,781**

Personnel Administration Office

Personnel Administration Office

GOVERNMENT'S PREFERRED FUTURE OF THE ALBERTA PUBLIC SERVICE

The Alberta Public Service is respected for its attitudes, knowledge and skills, its effective management of public policy and its dedication to achieving quality, affordable services for Albertans.

VISION

PAO — Building a strong public service.

MISSION STATEMENT

Our mission is to develop corporate human resource strategies and policy frameworks that enable departments to fulfill their business plan goals and achieve government's preferred future of the Alberta public service. Our mission supports the government's core businesses of people, prosperity and preservation.

Linkages to Government Core Businesses

Alberta Government

Core Businesses

People ... helping Albertans to be self-reliant, capable and caring through:

> A healthy society and accessible health care. Basic support and protection for those in need. Lifelong learning. Excellent schools, colleges, universities and training institutes. Supportive families and compassionate communities.

Prosperity ... promoting prosperity for Alberta through:

> A dynamic environment for growth in business, industry and jobs. A highly skilled and productive workforce. New ideas, innovation and research. An open and accountable government that lives within its means. An efficient system of roads, highways, utilities and public spaces.

Preservation ... preserving the Alberta tradition of:

> A safe society where justice prevails. A clean environment. Strong values and cultures. Pride in Alberta and strength within Canada. Strong communities.

Goal Statements

- Provide efficient management of government resources.
- Improve Albertans' ability to enter the workforce and keep pace with changing skills.
- Remove barriers that prevent people from moving easily from job to job or place to place in order to work.
- Promote high standards in the workplace in terms of labour relations framework and dispute resolution and workplace health and safety.
- Focus on long-term health gains through increased emphasis on programs to prevent illness and injury, and protect and promote good health.
- Through the People and Prosperity Initiative, ensure that Key Growth Summit strategies are implemented.
- Continue to promote the Alberta Advantage.
- Continue implementation of the Corporate Human Resource Development Strategy Initiative during 1999-2000.
- Continue to monitor progress on the Shared Services in Government Initiative.
- Meet Albertans requested needs for more information on government programs and services, and make it easier for them to give their feedback and options.
- Ensure all regulations are necessary and eliminate the ones which are not.
- Provide regular reports to Albertans on goals, financial results and performance measures.
- Continue to promote a strong and united Canada.

Personnel Administration Office

Core Businesses

Our core businesses are to develop corporate human resource strategies and policy frameworks for:

- benefits
- classification and compensation
- labour relations
- occupational health and safety
- workforce development and performance management
- and staffing and workforce adjustment.

And to provide:

- executive recruitment
- collective bargaining
- an employee assistance program
- and leadership in human resource information management.

Goal Statements

Strategic Leadership

Provide strategic leadership to departments in addressing cross-department human resource needs and issues.

Alignment/Commitment

Provide human resource strategies and policy frameworks that assist departments in compensating, rewarding and recognizing employees.

Health, Safety and Wellness

Provide human resource strategies and policy frameworks that assist departments in providing a safe work environment and supporting the well-being of employees.

Competence/Versatility

Provide human resource strategies and policy frameworks that assist departments in attracting, selecting and developing employees to meet current and future needs.

OPERATIONAL OVERVIEW

The Personnel Administration Office (PAO) is the central human resources arm of government. PAO works with departments to develop government-wide human resource (HR) strategies and policy frameworks in a variety of areas to support departments in achieving their business plan goals. PAO is also responsible for the delivery of specific services which are considered corporate strategic services. PAO's areas and primary functions are:

CORPORATE HUMAN RESOURCE POLICY AND CONSULTING

Develops HR strategies and policy frameworks and provides expert consulting to departments in the areas of benefits, classification and compensation, labour relations, occupational health and safety, and staffing and workforce development. Also conducts collective bargaining on behalf of government as an employer and provides an employee assistance program for public service employees.

EXECUTIVE SEARCH

Provides executive search and consulting services in the recruitment and selection of executives and senior officials for the public service and significant agencies, boards and commissions. Also assists departments in facilitating internal and external executive mobility initiatives and leadership continuity strategies.

CLIENT RELATIONS

Plays a key role in ensuring that PAO is client-driven and service-oriented by working with departments to understand current and emerging human resource needs, identifying priority areas for action and facilitating the development of solutions.

INFORMATION MANAGEMENT

Provides strategic information management services and business support services for PAO. Works with departments to develop and implement plans for effective management of HR information.

HUMAN RESOURCE INNOVATION AND PROCESS IMPROVEMENT

Promotes and supports innovation and process improvement in the development and delivery of HR programs. Provides strategic leadership in the effective use of technology in HR. Represents PAO and the Human Resource Director's Council in maintaining the effectiveness of IMAGIS and implementing new initiatives in IMAGIS (the cross-government human resource information management system).

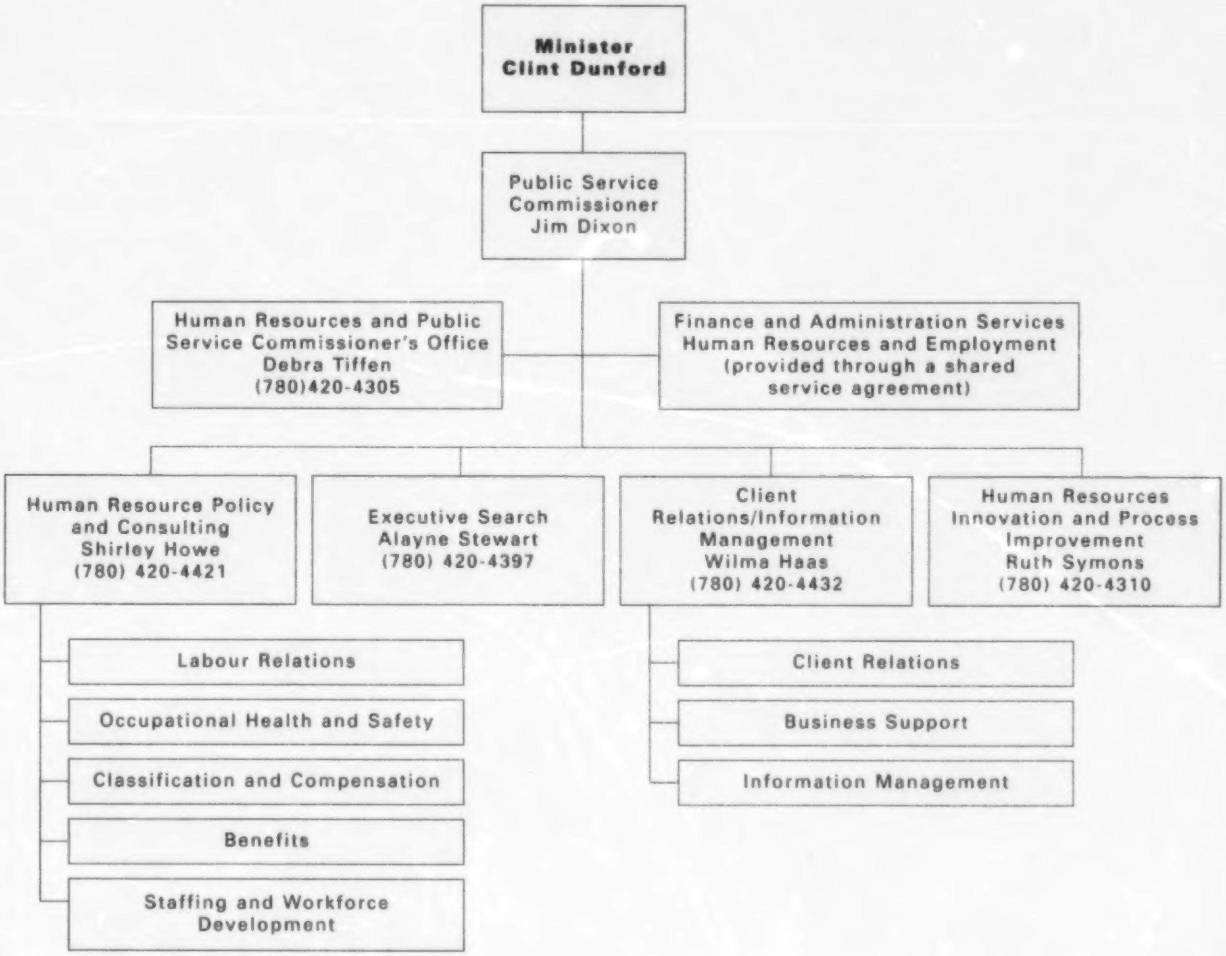
HUMAN RESOURCES AND PUBLIC SERVICE COMMISSIONER'S OFFICE

Provides departmental human resource support, advice and leadership to PAO and provides support to the Public Service Commissioner's office. Coordinates preparation and submission of the business plan, performance measures, annual report and the budget. Prepares briefing material.

FINANCE AND ADMINISTRATION SERVICES

PAO has had a shared service arrangement to receive finance and administrative services since 1987. Services in 1999/2000 were received through the department of Human Resources and Employment. This includes the role of Senior Financial Officer, financial advice and support, accounts payable processing as well as library, mail and courier, accommodation, and records management services.

PERSONNEL ADMINISTRATION OFFICE
ORGANIZATION CHART



Minister
Clint Dunford

Public Service Commissioner
Jim Dixon

Human Resources and Public Service Commissioner's Office
Debra Tiffen
(780)420-4305

Finance and Administration Services
Human Resources and Employment
(provided through a shared service agreement)

Human Resource Policy and Consulting
Shirley Howe
(780) 420-4421

- Labour Relations
- Occupational Health and Safety
- Classification and Compensation
- Benefits
- Staffing and Workforce Development

Executive Search
Alayne Stewart
(780) 420-4397

Client Relations/Information Management
Wilma Haas
(780) 420-4432

- Client Relations
- Business Support
- Information Management

Human Resources Innovation and Process Improvement
Ruth Symons
(780) 420-4310

Report of the Auditor General on the Results of Applying Specified Audit Procedures to Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Personnel Administration Office's performance measures. The Personnel Administration Office's set of measures are included in the *1999-2000 Annual Report of the Ministry of Human Resources and Employment* as presented on pages 133 to 149.

Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

The calculations which converted source information into reported measures were tested.

The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the set of performance measures and therefore I express no opinion on the Personnel Administration Office's set of measures included in the *1999-2000 Annual Report of the Ministry of Human Resources and Employment.*

Peter Valentine

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
August 16, 2000

Personnel Administration Office

results analysis

goals, measures, results

Goal 1 **Strategic Leadership: provide strategic leadership to departments in addressing cross-department human resource needs and issues.**

STRATEGIES

Ensure greater integration and effectiveness of corporate and departmental efforts in addressing priority human resource issues:

- Work with departments to develop the 2000-2003 Corporate Human Resource Plan and ensure its implementation through the development of complementary departmental plans.
- Coordinate the use of the Corporate Human Resource Research and Development Fund to support priority human resource needs.
- Facilitate the sharing of cross-government human resource information.

Increase the ability of departments to meet their human resource needs:

- Facilitate the use of technology to enhance human resource processes.
- Provide expert consulting to departments on PAO core business areas.

Conduct an ongoing review of human resource directives and regulations to ensure they are current and relevant, and in keeping with the intent of regulatory reform.

Monitor and report on two overall client satisfaction indicators: satisfaction with HR strategies and policy frameworks, and satisfaction with working relationships with PAO.

RESULTS

PAO coordinated a number of initiatives to reinforce and strengthen accountability for human resource management across the public service. These included the development of a human resource accountability framework for deputy ministers, line managers and human resource practitioners, and a guidebook outlining managers' and supervisors' human resource responsibilities along with resources available to assist them.

PAO provided leadership and coordination to the Corporate Human Resource Development Strategy as part of the implementation of the Corporate Human Resource Plan.

- Continued to enhance the Ambassador Program to ensure managers and post-secondary institutions have the information they need to facilitate work experience opportunities, on-campus recruitment activities and to promote the Alberta government as an attractive employer.
- Held a one-day Building Your Future Symposium followed by a half-day Knowledge Fair available to employees on a drop-in basis. The Knowledge Fair provided information and demonstration booths on topics related to learning and leadership to the approximately 1000 public service employees who attended.
- A *Career Management Guide* was developed as a four-part series to assist employees with self-directed career planning.

Projects funded under the Corporate Human Resource Research and Development Fund included:

- Communication initiatives to enhance employee understanding of the resources available to them through the Corporate Human Resource Development Strategy (such as the *Unwrap Your Future* flyer, the Career Management Guide books and the virtual Knowledge Fair)
- Phase II Business Process Engineering
- Classification Review projects
- Core Measures Survey
- Transition Supports for employees impacted by organizational change
- Corporate Leadership Council membership.

Enhancements to the PAO Web site were made and new Web-based applications were used to promote interactive communication with clients, key stakeholders and the public:

- The virtual Knowledge Fair (www.gov.ab.ca/pao/employee/knowledge-fair/frameset.htm) provided employees with online access to over 40 brochures, booklets, self-assessment tools and information sheets related to learning and leadership development.
- Over 1300 participants used a new on-line registration process for Subsidiary 2 orientation sessions, saving administrative time and resources.
- Online access to grievance award summaries provides detailed and current reference information for department HR consultants on employee relations issues.

PERFORMANCE MEASURES

Client Satisfaction

- PAO conducts a comprehensive survey of client satisfaction every two years with its primary clients (deputy ministers and their executive committees, human resource directors and human resource staff in government departments). The last survey was conducted in 1998/1999 and the next survey will be conducted in 2000/2001.
- To measure client satisfaction, an external agency conducted telephone and personal interviews with these client groups. Of the 263 clients eligible to participate, 251 were interviewed. Individual responses were categorized on a scale of one to five ranging from very satisfied to very dissatisfied. Results were averaged to give each group equal weight. The Advisory Group conducted the surveys in 1996/1997 and in 1998/1999.

Corporate Human Resource Plan

- The Corporate Human Resource Plan is developed annually in conjunction with departments and is approved by deputy ministers. It addresses priority areas for human resource management in the Alberta public service. Measurement data is collected through the annual Core Measures Survey and also through departmental reports submitted on the Corporate Human Resource Development Strategy (one of the priorities within the Corporate Human Resource Plan for 1999/2000).
- Core measures of employee satisfaction have been established and annual surveys have been conducted since 1996 to assess employee views on these measures. The most recent Core Measures Survey was conducted by an independent survey organization, Research Innovations Inc. This was a telephone survey with 3585 Government of Alberta employees, approximately 19 per cent of the workforce, conducted from November 1999 to January 2000. Sample size has increased in the last two surveys and therefore for the 1998/1999 and 1999/2000 employee survey results, the margin of error was no greater than ±2 per cent at the 95 per cent confidence level.
- Department data on the Corporate Human Resource Plan is collected through departmental reports and results are collated by PAO.

Human Resource Directives and Regulations

- PAO tracks the number of human resource directives and regulations to ensure that the regulatory framework for human resource management is appropriate and meets the government's regulatory reform objectives.

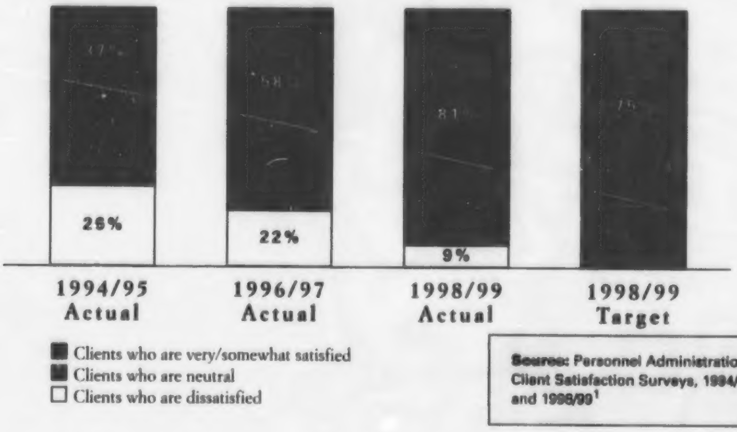
ANALYSIS

Under strategic leadership, client satisfaction results are discussed first, then the measures under the Corporate Human Resource plan and then the HR Regulations and Directives.

Client Satisfaction

Eighty-one per cent of clients were somewhat or very satisfied with the corporate human resource strategies and policy frameworks in 1998/1999, exceeding the established target. This result is a significant increase from the 58 per cent satisfaction level in 1996/1997. The target for the 2000/2001 business plan year is to maintain client satisfaction with HR strategies and policy frameworks at 80 per cent or higher.

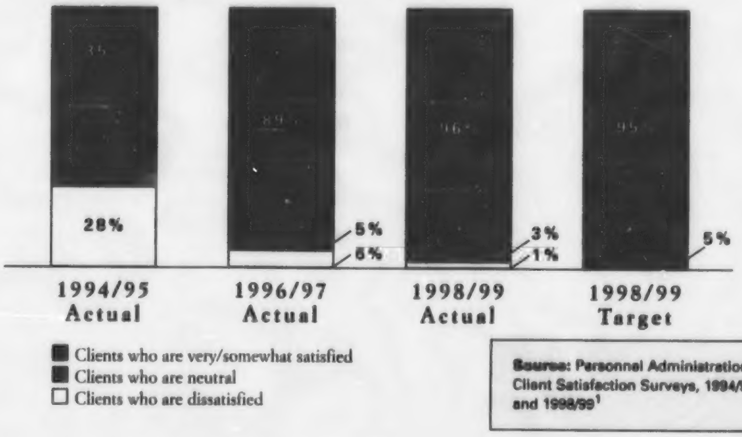
Client Satisfaction with human resource strategies and policy frameworks



Source: Personnel Administration Office Client Satisfaction Surveys, 1994/95, 1996/97 and 1998/99[1]

In regard to working relationships with PAO, the results from the 1998/1999 client satisfaction survey showed an increase in satisfaction to 96 per cent from the 89 per cent satisfaction rate in the previous survey. The target for the 2000/2001 business plan year is to maintain client satisfaction with working relationships with PAO at 90 per cent or higher.

Client satisfaction with working relationships with the Personnel Administration Office



Source: Personnel Administration Office Client Satisfaction Surveys, 1994/95, 1996/97 and 1998/99[1]

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1. 1994/95 actual figures were derived from responses to a group of questions. 1996/97 and 1998/99 actual figures were derived from a single question posed to a larger survey universe.

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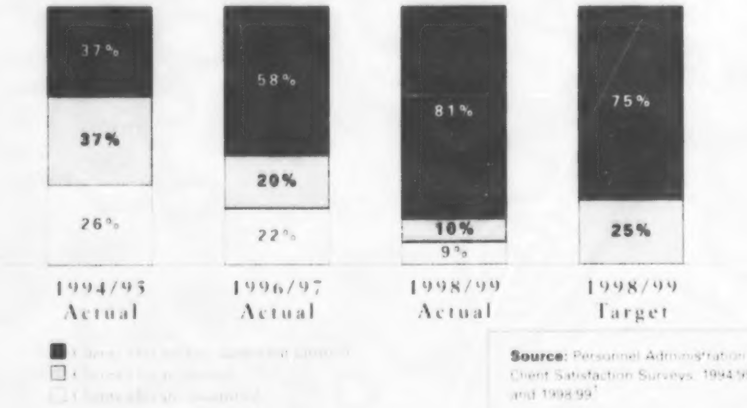
Client Satisfaction with human resource strategies and policy frameworks



Source: Personnel Administration Office Client Satisfaction Surveys: 1994/95, 1996/97 and 1998/99[1]

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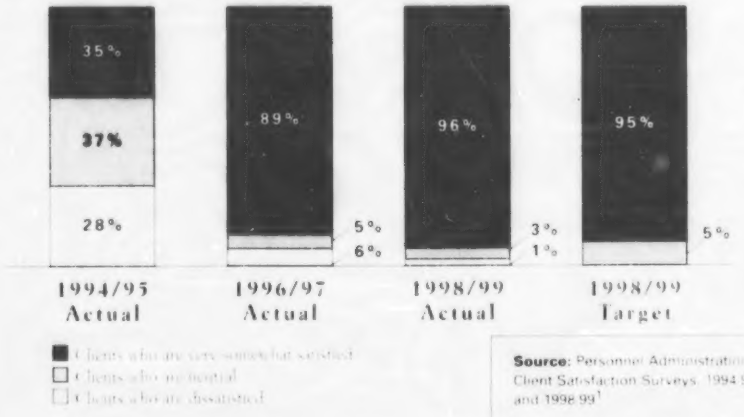
Client satisfaction with working relationships with the Personnel Administration Office



Source: Personnel Administration Office Client Satisfaction Surveys: 1994/95, 1996/97 and 1998/99[1]

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[1] 1994/95 actual figures were derived from responses to a group of questions. 1996/97 and 1998/99 actual figures were derived from a single question posed to a larger survey universe.

Corporate Human Resource Plan

Performance Indicators	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Targets
Number of departments with client surveys	Department data	n/a	17 1 developing	16 3 re-surveying	Surveys conducted
Employees' assessment of organizational support for their learning to meet: • Current needs • Future needs	Core Measure Survey	73% 61%	76% 69%	72% 64%	Maintain or increase
Departments' demonstrated supports and strategies for continuous learning	Department data	n/a	All provide various supports	All provide various supports	All provide various supports
Number of departments with leadership continuity strategies in place for key positions	Department data	n/a	All frameworks in place	10 implementing 9 revising plans	All started implementation
Number of developmental moves for staff: • Executive Managers • Other Managers	Department data	n/a	36 291	72 340	Maintain or increase
Number of work experience, co-op and internship placements	Department data	n/a	395	529	Maintain or increase

The business plan goal for the Corporate Human Resource Plan was for all results to be within five per cent of each target. Specific results are discussed below and under goal two on the following pages. Overall, the results were positive.

- Employees' assessment of organizational support for learning to meet current and future needs decreased slightly to 72 per cent for current needs and 64 per cent for future needs. This is slightly below the five per cent target range established in the business plan. A factor in these results was that the survey was conducted as department structures were finalized after the government reorganization in May 1999. It is anticipated that as employees access the supports and opportunities presented by their new organization, these results will again be on target.
- Most departments are implementing their leadership continuity strategies designed to address human resource management issues such as an aging workforce, competition for scarce resources, leadership development and continuous learning. Related to this, the number of developmental moves for management employees reported by departments continues to enhance the versatility of the public service.

- Departments have shown strong support for work experience, co-op and internship programs which are part of the strategy to market the public service as an attractive employer and provide a variety of opportunities for young people making the transition from school to work.

Number of Human Resource Regulations and Directives

In 1998/1999 PAO conducted its third and final survey of clients to determine their satisfaction with PAO's regulatory reform efforts. The survey asked clients to assess the degree to which PAO has achieved the government's regulatory reform objectives, including that documents are in plain language; are written to be positive and permissive; require minimum time for administration; and are written for objectives not process. In the survey, 94 per cent of clients indicated they were satisfied with PAO's regulatory reform efforts (PAO Regulatory Review Survey 1998/1999). PAO continues to ensure that the number of human resource regulations and directives are maintained or reduced.

Number of Human Resource Regulations and Directives

	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
Regulations	5	4	4	Maintain or reduce
Directives	106	108	108	

Source: Personnel Administration Office Regulatory Review Project

Corporate Human Resource Plan

Performance Indicators	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Targets
Number of departments with client surveys	Department data	n/a	17 1 developing	16 3 re-surveying	Surveys conducted
Employees' assessment of organizational support for their learning to meet: • Current needs • Future needs	Core Measure Survey	73% 61%	76% 69%	72% 64%	Maintain or increase
Departments' demonstrated supports and strategies for continuous learning	Department data	n/a	All provide various supports	All provide various supports	All provide various supports
Number of departments with leadership continuity strategies in place for key positions	Department data	n/a	All frameworks in place	10 implementing 9 revising plans	All started implementation
Number of developmental moves for staff: • Executive Managers • Other Managers	Department data	n/a	36 291	72 340	Maintain or increase
Number of work experience, co-op and internship placements	Department data	n/a	395	529	Maintain or increase

The business plan goal for the Corporate Human Resource Plan was for all results to be within five per cent of each target. Specific results are discussed below and under goal two on the following pages. Overall, the results were positive.

- Employees' assessment of organizational support for learning to meet current and future needs decreased slightly to 72 per cent for current needs and 64 per cent for future needs. This is slightly below the five per cent target range established in the business plan. A factor in these results was that the survey was conducted as department structures were finalized after the government reorganization in May 1999. It is anticipated that as employees access the supports and opportunities presented by their new organization, these results will again be on target.
- Most departments are implementing their leadership continuity strategies designed to address human resource management issues such as an aging workforce, competition for scarce resources, leadership development and continuous learning. Related to this, the number of developmental moves for management employees reported by departments continues to enhance the versatility of the public service.

- Departments have shown strong support for work experience, co-op and internship programs which are part of the strategy to market the public service as an attractive employer and provide a variety of opportunities for young people making the transition from school to work.

Number of Human Resource Regulations and Directives

In 1998/1999 PAO conducted its third and final survey of clients to determine their satisfaction with PAO's regulatory reform efforts. The survey asked clients to assess the degree to which PAO has achieved the government's regulatory reform objectives, including that documents are in plain language; are written to be positive and permissive; require minimum time for administration; and are written for objectives not process. In the survey, 94 per cent of clients indicated they were satisfied with PAO's regulatory reform efforts (PAO Regulatory Review Survey 1998/1999). PAO continues to ensure that the number of human resource regulations and directives are maintained or reduced.

Number of Human Resource Regulations and Directives

	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
Regulations	5	4	4	Maintain or reduce
Directives	106	108	108	

Source: Personnel Administration Office Regulatory Review Project

Goal 2

Alignment/Commitment: Provide human resource strategies and policy frameworks that assist departments in compensating, rewarding and recognizing employees for their contributions to business plan goals.

STRATEGIES

Establish a closer link between performance and rewards/recognition:

- Facilitate implementation of the performance management system in conjunction with departments' human resource plans.
- Identify and promote performance-based rewards options for opted-out and excluded employees, and bargaining unit employees subject to negotiations.
- Coordinate the Premier's Award of Excellence program.

Ensure classification and compensation meet current realities and needs:

- Review and update the non-management classification plan to address identified needs, using a phased-in approach.
- Conduct collective bargaining.

RESULTS

In linking performance to rewards and recognition:

- Provided advice and assistance to departments regarding the establishment and revision of their performance management systems and began a review of the overall performance management framework.
- Assisted in the implementation of the second year of the achievement bonus program for managers. The variable achievement bonus program was also extended to the opted out and excluded employee group. The Alberta Union of Provincial Employees (AUPE) has decided not to participate in a variable achievement bonus program for bargaining unit employees.
- Continued to deliver the Premier's Award of Excellence Program to maintain its profile and prestige as a corporate recognition program. In 1999, over 50 submissions were received and 34 teams were recognized with awards.

In partnership with departments, and in consultation with AUPE, continued the development of a modified Hay job evaluation plan for non-management jobs. The design phase for the opted out and excluded group was initiated, guide charts were developed and potential benchmark positions were identified.

Negotiations were successfully completed on the wage opener with the AUPE. The agreement provided for a four per cent increase in September 1999 and a two per cent lump sum payment at the time of settlement followed by a four per cent increase in September 2000. The term of the collective agreement was extended by one year to September 2001.

As part of the ongoing communication to staff on the value of their individual compensation, PAO developed and distributed individual statements for employees on the value of their benefit package (which includes health benefit plans, the dental plan and a long term disability plan).

In collaboration with Treasury, PAO coordinated the implementation and communication of a supplementary pension program that results in equitable pension compensation for management employees.

PERFORMANCE MEASURES

Results for the performance measures associated with this goal are gathered through the annual Core Measures survey (for methodology please refer to page 136).

Corporate Human Resource Plan Measures	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
% of employees who understand how their work contributes to their department's business plan.	Core Measures Survey	77%	77%	81%	80%
% of employees who receive recognition for their contributions to progress on business plan goals	Core Measures Survey	45%	51%	50%	55%
% of employees who are satisfied with their employment in the Alberta public service	Core Measures Survey	68%	78%	80%	80%

ANALYSIS

Eighty-one per cent of employees surveyed understand how their work contributes to their department's business plan which exceeds the target of 80 per cent and is a four percentage point increase from the previous surveys.

Fifty per cent of employees surveyed reported that they received recognition for their contribution to business plan goals. The target of 55 per cent was not met. Departments continue to work on improving their performance management systems and linking rewards and recognition within the department to the achievement of business plan goals. PAO will continue to assist departments in the development and implementation of effective recognition programs.

Since 1997/1998 employees' overall satisfaction with their employment in the public service has increased from 68 per cent to 80 per cent. The target was met. This is comparable to the employee satisfaction level of top ranked companies in Canada as reported in the *Globe and Mail's Report on Business* magazine in January 2000.

PERFORMANCE MEASURES

Results for the performance measures associated with this goal are gathered through the annual Core Measures survey (for methodology please refer to page 136).

Corporate Human Resource Plan Measures	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
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Goal 3

Health, Safety and Wellness: provide human resource strategies and policy frameworks that assist departments in providing a safe work environment and supporting the well-being of employees.

STRATEGIES

Reduce accident/injury and illness/long term disability (LTD) rates:

- Advance the Partnerships in Safety program in high and medium risk departments.
- Examine the feasibility of behaviour-based safety for targeted areas in departments.
- Develop and implement an approach for shared services for occupational hygiene surveys.
- Continue to implement strategies such as the Employee Support and Recovery Assistance (ESRA) program to support early return to work from disability leave and general illness.

In order to assist employees in managing their well-being, PAO delivers an employee assistance program for public service employees.

RESULTS

As the certifying partner for government, PAO continues to demonstrate its leadership role in the area of occupational health and safety by maintaining its Partnerships in Safety Certificate of Recognition and working with high and medium risk departments to pursue their certification. The departments of Environment and Infrastructure have both signed partnership agreements and are working towards certification.

A feasibility study was conducted on implementing behaviour-based safety programs. These programs focus on correcting an individual's unsafe behaviour through observation, feedback and training. The study determined that the Partnerships in Safety program contains the most effective elements of behaviour based safety. The emphasis remains on expanding participation in the Partnerships in Safety program.

In order to assist two departments in meeting their occupational health and safety requirements and addressing their needs, PAO coordinated a cost sharing approach for occupational hygiene surveys. These surveys included assessments of noise and indoor air quality.

PAO coordinated services under the Employee Support and Recovery Assistance (ESRA) program. 1999/2000 was the second year of the program which is designed to assist employees with an earlier return to work from an illness leave. In its second year, ESRA assisted 179 employees in an earlier return to work (as compared to the typical length of absence where an individual does not receive the support of a program like ESRA).

Forty-four employees from 10 ministries chose to participate in the voluntary retirement program for recipients of long term disability, with a net savings of approximately $2 million. A $2.65 savings for every $1 cost was achieved.

PERFORMANCE MEASURES

The measures shown on the following chart (page 145) provide information on the time lost due to accident, injury and illness in the Alberta public service and related costs.*

- Direct Costs to Government measures the total cost to government for the Worker's Compensation Board (WCB) premiums and WCB supplement paid.
- Time Lost to General Illness indicator measures the average number of general illness days taken per employee across the public service. General illness covers absences due to illness or injury greater than three days to a maximum of 80 days.
- Costs of General Illness captures salary costs for general illness absences.
- The Long Term Disability (LTD) incidence rate measures the number of new Long Term Disability claims per 1000 employees.

Note: * Data on the Time Lost to Accident/Injury (Work Days Lost Rate) is not available due to system changes. Results will be reported again in 2000/2001.

Health, Safety & Wellness Performance Measures	**Source**	**1997/1998 Actual**	**1998/1999 Actual**	**1999/2000 Actual**	**1999/2000 Target**
Direct Cost to Government ($ Thousands) (WCB Assessment Premium + WCB Supplement)	PAO	$5,236	$4,309	$3,913	Maintain or reduce
Time lost to General Illness (Average # of days lost per employee)	IMAGIS* database	4.5 days per employee**	3.4 days per employee	3.7 days per employee	Maintain or reduce
Cost of General Illness ($ Thousands)	IMAGIS database	$10,900**	$9,800	$11,100	Maintain or reduce
Long Term Disability (LTD) Incidence Rate (Number of new claims per 1000 employees)	IMAGIS database; PAO; Great-West Life	15.8 per 1000 employees	13.7 per 1000 employees	14.2 per 1000 employees	Maintain or reduce

Note: * IMAGIS is the cross-government human resource information management system.
** General illness figures are for the 1997 calendar year.

ANALYSIS

The target was met for the the direct cost to government indicator in 1999/2000. Time lost to general illness and the LTD incidence rate increased slightly from 1998/1999 although they continue to show an improvement from 1997/1998. The cost of general illness also rose slightly in 1999/2000 which is a reflection of the increase in time lost and the impact of increased salary costs during that year.

Initiatives such as ESRA program, the Employee Assistance Program and the Partnerships in Safety program assist the public service in reducing the incidence and/or severity of accidents, injury or illness and the related time away from work. Reduced costs are a related outcome of these efforts. PAO continues to work with departments to ensure that disability management supports and strategies are in place within the public service.

Health, Safety & Wellness Performance Measures	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
Direct Cost to Government ($ Thousands) (WCB Assessment Premium + WCB Supplement)	PAO	$5,236	$4,309	$3,913	Maintain or reduce
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Initiatives such as ESRA program, the Employee Assistance Program and the Partnerships in Safety program assist the public service in reducing the incidence and/or severity of accidents, injury or illness and the related time away from work. Reduced costs are a related outcome of these efforts. PAO continues to work with departments to ensure that disability management supports and strategies are in place within the public service.

SUPPLEMENTAL INDICATOR

PAO delivers an Employee Assistance Program (EAP) which provides diagnostic and referral services on behavioural health issues for employees. In 1999/2000, the number of new clients that accessed the program decreased slightly.

Employee Assistance Program Statistics

	1997/1998	1998/1999	1999/2000
Number of Employees Receiving Diagnostic and Referral Assistance	541	541	512

Source: Personnel Administration Office

SUPPLEMENTAL INDICATOR

PAO delivers an Employee Assistance Program (EAP) which provides diagnostic and referral services on behavioural health issues for employees. In 1999/2000, the number of new clients that accessed the program decreased slightly.

Employee Assistance Program Statistics

	1997/1998	1998/1999	1999/2000
Number of Employees Receiving Diagnostic and Referral Assistance	541	541	512

Source: Personnel Administration Office

Goal 4

Competence/Versatility: Provide human resource strategies and policy frameworks that assist departments in retaining, attracting, selecting and developing employees to meet current and future needs.

STRATEGIES

Ensure departments are positioned to respond to emerging human resource needs by encouraging and supporting leadership continuity (succession planning) strategies in departments.

Work with departments to develop and implement learning and leadership development strategies for employees to ensure they have the skills to meet current and future organizational needs.

Promote interest in employment with the Alberta public service (APS):

- Continue aggressive initiatives to market the APS as an attractive employer and provide work experience opportunities for youth and attract skilled workers to the APS.
- Continue to assist departments in developing strategies or approaches to address hard-to-recruit positions.
- Provide direct services in managing the recruitment and selection process of senior officials, deputy ministers, executives and other senior level Alberta public service positions, and senior positions with significant government agencies, boards and commissions.

RESULTS

All departments have recognized they need a leadership continuity plan to address the demographic issues facing their department (and the public service generally) and have established leadership continuity plans. As the workforce ages and competition for resources continues to increase, these strategies are critical in ensuring the public service has the resources needed for the future.

Enhancements were made to the employment Web site to allow applicants to submit their resumes by e-mail.

Continued to enhance the Ambassador Program to market the APS and to ensure managers and post-secondary institutions have the information they need to facilitate work experience, co-op placements and internship opportunities with the APS.

PAO provided support to the government reorganization by developing guidelines and processes to ensure fair and consistent treatment of staff, and leading a cross-department team to respond to related human resource issues.

PAO provided support to departments by facilitating lateral transfers, developmental assignments and mentoring opportunities in keeping with government's goal to have a capable and versatile executive management group.

PERFORMANCE MEASURES

Data for the performance measure associated with this goal is gathered through the annual Core Measures survey (for methodology please refer to page 136).

Business Plan Measure	Source	1997/1998 Actual	1998/1999 Actual	1999/2000 Actual	1999/2000 Target
% of managers who report their employees have the skills to meet current and future needs.	Core Measures Survey	n/a	93% current 82% future	93% current 81% current	90% current 80% future

ANALYSIS

Results continue to be strong in this area with managers reporting that 93 per cent of their employees have the skills to meet current needs and 81 per cent have the skills to meet future needs. In both cases the established target for this measure was exceeded.

SUPPLEMENTAL INDICATOR

Executive Search conducted 48 competitions in 1999/2000. These competitions involved service to 14 departments and six significant agencies, boards and commissions. In the 1999/2000 point-of-service client surveys, all Executive Search clients were very satisfied with the service provided.

Executive Search Statistics

	1997/98	1998/99	1999/2000
Number of Competitions			
Open	37	43	29
Limited	21	16	19
Total	**58**	**59**	**48**
Competitions managed			
Senior Official / Deputy Minister	8	6	4
Executive Manager II	17	10	8
Executive Manager I	24	22	25
Other Levels	3	6	7
Other[2]	6	15	4
Total Competitions Managed	**58**	**59**	**48**

Source: Personnel Administration Office

Supplementary Information

In 1999/2000, the number of grievances that progressed to the arbitration level decreased slightly from the previous year.

Labour Relations Statistics

	1997/1998	1998/1999	1999/2000
Number of current year arbitration level grievances	31	30	27

Source: Personnel Administration Office

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[2] Includes provincial agencies, boards and commissions.

PAO provided support to departments by facilitating lateral transfers, developmental assignments and mentoring opportunities in keeping with government's goal to have a capable and versatile executive management group.

PERFORMANCE MEASURES

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[2] Includes provincial agencies, boards and commissions.

INSURANCE AND BENEFIT PLANS

The following two tables provide statistics on the benefits paid and usage of employee insurance and benefits plans. A description of the plans accompanies each table.

Life Insurance Plan Claims

Plan		Benefits Paid (in $ Thousands)		
		1997/1998	1998/1999	1999/2000
Basic Group Life Insurance	Bargaining Unit			
	Deaths	35	33	33
	Total Benefits Paid	$2,480	$2,236	$2,452
	Management and Excluded			
	Deaths	7	9	11
	Total Benefits Paid	$808	$844	$1,638
Accidental Death and Dismemberment Insurance	Bargaining Unit			
	Deaths	4	2	1
	Total Benefits Paid	$412	$130	$180
	Management and Excluded			
	Deaths	0	0	0
	Total Benefits Paid	$0	$0	$0
Dependents' Life Insurance	Bargaining Unit			
	Deaths	47	30	23
	Total Benefits Paid	$296	$198	$146
	Management and Excluded			
	Deaths	5	11	3
	Total Benefits Paid	$45	$85	$25
Enhanced Life Insurance	Deaths	3	4	7
	Total Benefits Paid	$388	$389	$833
Retiree Life Insurance	Bargaining Unit			
	Deaths	149	154	173
	Total Benefits Paid	$447	$462	$520
	Management and Excluded			
	Deaths	38	26	48
	Total Benefits Paid	$114	$78	$146

Source: Personnel Administration Office; Great West Life

About the Plans

Basic Group Life and Accident Insurance

A lump sum is paid to the beneficiary on the employee's death. A partial advance payment of the total coverage may be paid to a terminally ill employee. The employer pays two thirds, and the employee pays one third of the premium.

Accidental Death and Dismemberment Insurance

This policy provides additional benefits if death was accidental, or if an accident causes loss of use of limbs. The employer pays two thirds, and the employee one third of the premium.

Dependents' Life Insurance

Employee-funded, this benefit is paid to the employee on the death of an insured spouse or child.

Enhanced Life Insurance

Employee-funded, this additional coverage is based on a multiple of annual salary and is available to management and non-union employees.

Retiree Life Insurance

The bargaining unit plan provides a $3,000 benefit to the beneficiary on the death of the retired employee. As of July 1999 the benefit increased to $4,000 (for new retirees). The management and excluded plan provides a $3,000 benefit to the beneficiary on the death of the retired employee if the employee retired or terminated with 10 to 20 years of service, and $5,000 with 20 or more years of service.

Benefit Plans

Plan		Benefits Paid (in $ Thousands)		
		1997/1998	1998/1999	1999/2000
Extended Medical Benefits and Prescription Drug Plans	Bargaining Unit Extended Medical Benefits Paid	$6,126	$5,711	$7,577
	Management and Excluded Extended Medical Benefits Paid	$1,153	$740	$961
	Management/Non-Union Prescription Drug Benefits	$1,859	$2,004	$2,495
Travel-Occupational Accident Insurance	Deaths	0	2*	0
	Benefits Paid	$0	$219*	$0
Dental Plans	Bargaining Unit Benefits Paid	$8,970	$7,595	$7,704
	Management and Non-Union Benefits Paid	$4,333	$3,496	$3,981
Long-Term Disability Income	Benefits Paid	$19,172	$19,328	$19,884
Continuance Plan	Number of Employees receiving benefits	1,086	1,143	1,166
	Number of new claims during the year	304	290	272
Employee Funded Leave Program	Fund Value	$457	$530	$560

Source: Personnel Administration Office; Blue Cross; Great - West Life; Clarica; Canada Trust
*claims not shown in 1998/1999 report

About the Plans

Extended Medical Benefits and Prescription Drug Plans

The bargaining unit plan provides optional coverage for prescription drugs and other medical services. Employees and the employer each pay 50 per cent of the premiums. The *1st choice* plan for managers and non-union employees is composed of two optional plans. One plan provides core or enhanced coverage for extended medical services; the other plan provides core or prescription drug coverage. There is a co-sharing of premiums between the employer and participating employees.

Travel-Occupational Accident Insurance

This plan covers wage and a small number of other employees who are not covered under the life insurance plan. The plan is employer-funded and is for accidents causing death or dismemberment which occur at work or when travelling on government business. The principal benefit is equal to four times an employee's salary to a maximum of $125,000.

Dental Plans

The bargaining unit and core management plans reimburse 80 per cent for basic dental services, 50 per cent for major services and 50 per cent of orthodontic services (within annual limits). An enhanced employee-paid plan under the *1st choice* program for management and non-union employees provides a higher reimbursement level. All plans cover the employee, the employee's spouse and eligible children.

Long-Term Disability Income Continuance Plan

Employees unable to perform their job duties or undertake employment due to their medical condition are provided with benefits equal to 70 per cent of their pre-disability salary. Employees capable of returning to work receive rehabilitation and re-employment assistance.

Employee-Funded Leave Program

Employees may regularly set aside a portion of their salaries with a trustee. They then receive the deferred salary back at a later date while on a leave of absence ranging from four to 12 months in length.

INSURANCE AND BENEFIT PLANS

The following two tables provide statistics on the benefits paid and usage of employee insurance and benefits plans. A description of the plans accompanies each table.

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Dependents' Life Insurance

Employee-funded, this benefit is paid to the employee on the death of an insured spouse or child.

Enhanced Life Insurance

Employee-funded, this additional coverage is based on a multiple of annual salary and is available to management and non-union employees.

Retiree Life Insurance

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*claims not shown in 1998/1999 report

About the Plans

Extended Medical Benefits and Prescription Drug Plans

The bargaining unit plan provides optional coverage for prescription drugs and other medical services. Employees and the employer each pay 50 per cent of the premiums. The *1st choice* plan for managers and non-union employees is composed of two optional plans. One plan provides core or enhanced coverage for extended medical services; the other plan provides core or prescription drug coverage. There is a co-sharing of premiums between the employer and participating employees.

Travel-Occupational Accident Insurance

This plan covers wage and a small number of other employees who are not covered under the life insurance plan. The plan is employer-funded and is for accidents causing death or dismemberment which occur at work or when travelling on government business. The principal benefit is equal to four times an employee's salary to a maximum of $125,000.

Dental Plans

The bargaining unit and core management plans reimburse 80 per cent for basic dental services, 50 per cent for major services and 50 per cent of orthodontic services (within annual limits). An enhanced employee-paid plan under the *1st choice* program for management and non-union employees provides a higher reimbursement level. All plans cover the employee, the employee's spouse and eligible children.

Long-Term Disability Income Continuance Plan

Employees unable to perform their job duties or undertake employment due to their medical condition are provided with benefits equal to 70 per cent of their pre-disability salary. Employees capable of returning to work receive rehabilitation and re-employment assistance.

Employee-Funded Leave Program

Employees may regularly set aside a portion of their salaries with a trustee. They then receive the deferred salary back at a later date while on a leave of absence ranging from four to 12 months in length.

PROFILE OF THE ALBERTA PUBLIC SERVICE

As at March 31, 2000 there were 20,446 salaried[3] employees in the Alberta public service. This compares to 20,547 on March 31, 1999, 19,927 on March 31, 1998 and 21,193 on March 31, 1997. The status of all wage employees was reviewed during 1998/99 and those performing ongoing work within the Alberta Public Service were moved to salaried status.

Distribution of staff by department

Department	Employees	Proportion of Public Service
Agriculture, Food and Rural Development	1295	6.3%
Auditor General	103	0.5%
Children Services	2328	11.4%
Community Development	677	3.3%
Economic Development	193	0.9%
Environmental Protection	2400	11.7%
Executive Council	58	0.3%
Government Services	373	1.8%
Health and Wellness	2109	10.3%
Human Resources & Employment	2277	11.1%
International & Intergovernmental Relations	92	0.4%
Infrastructure	1730	8.5%
Innovation & Science	328	1.6%
Justice	3832	18.7%
Legislative Assembly	69	0.3%
Learning	935	4.6%
Municipal Affairs	364	1.8%
Ministry of Gaming	16	0.07%
Office of the Chief Electoral Officer	9	0.04%
Office of the Ombudsman	18	0.09%
Personnel Administration Office	69	0.3%
Public Affairs Bureau	162	0.8%
Resource Development	562	2.7%
Treasury	447	2.2%

Source: IMAGIS database (the cross-government human resource information management system)

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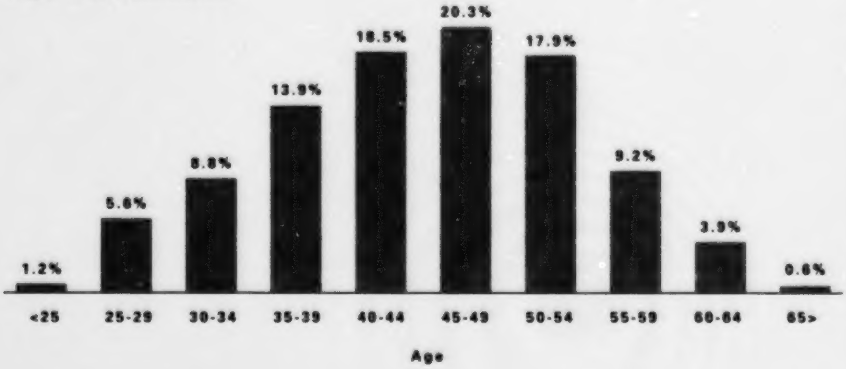
[3] Salaried staff includes permanent, temporary and long-term wage employees.

The following charts include permanent, temporary and long-term wage employees. Data is obtained from IMAGIS, the cross-government human resource information management system.

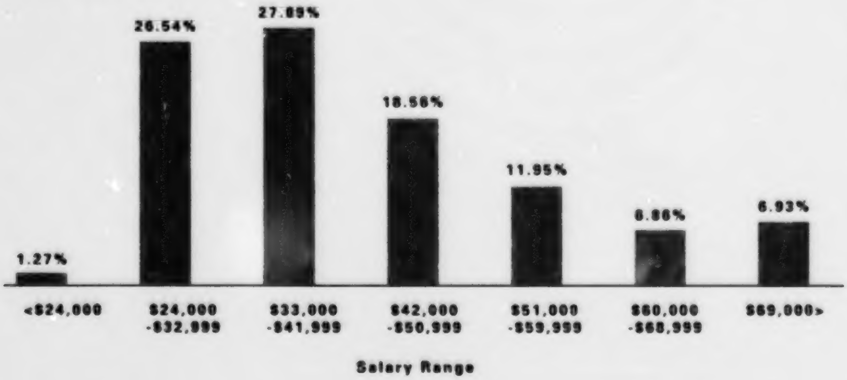
The average age of salaried public service employees remained constant from 1998/1999 at 44 in 1999/2000.

Age distribution

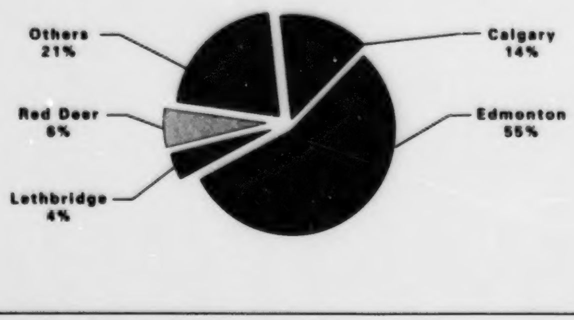


The average annual salary of permanent full time public service employees in 1999/2000 was $42,797.

Distribution of salary



Location of Alberta public service employees



Alberta Labour Relations Board

Labour Relations Board

goals, measures, results

Message from the Chair

WORKING TOGETHER TOWARDS SUCCESS

1999/2000 was a year of transition for the Alberta Labour Relations Board. As the newly appointed Chair, this was a great opportunity to revisit our past and plan the Board's new focus.

In a dynamic and continually changing labour relations climate, the Board plays an important role in forging stronger relationships in the labour relations community. To help position the Board to meet new workplace challenges and opportunities, we've charted a new direction to enhance our programs and services to meet the needs of our stakeholders.

Based on the client survey that was completed this year, I am pleased to report that our clients appreciated the valuable services, expertise and knowledge the Board provides. While there is an overall satisfaction with our programs and services, we are continually striving to improve.

We've listened to what our clients have told us and have launched several initiatives to strengthen our operations.

Some of these initiatives include changing our disputes resolution process to provide parties with the opportunity to talk with each other as much as possible. Our philosophy for taking this approach is simple - the more often parties have the opportunity to interact with one another, the more likely they will reach an amicable settlement. We also believe that the best resolution in most disputes is one where the parties have reached a settlement by themselves. We will continue to find new ways of being more proactive to encourage parties to meet and settle their own disputes.

We are also improving the timeliness of the Board's decisions and are committed to ensuring that 85 per cent of the Board's decisions are rendered within 90 days of the hearings.

More importantly, we want our processes to be open, accountable and transparent - streamlining many of our process and procedures to make them easier to understand and follow.

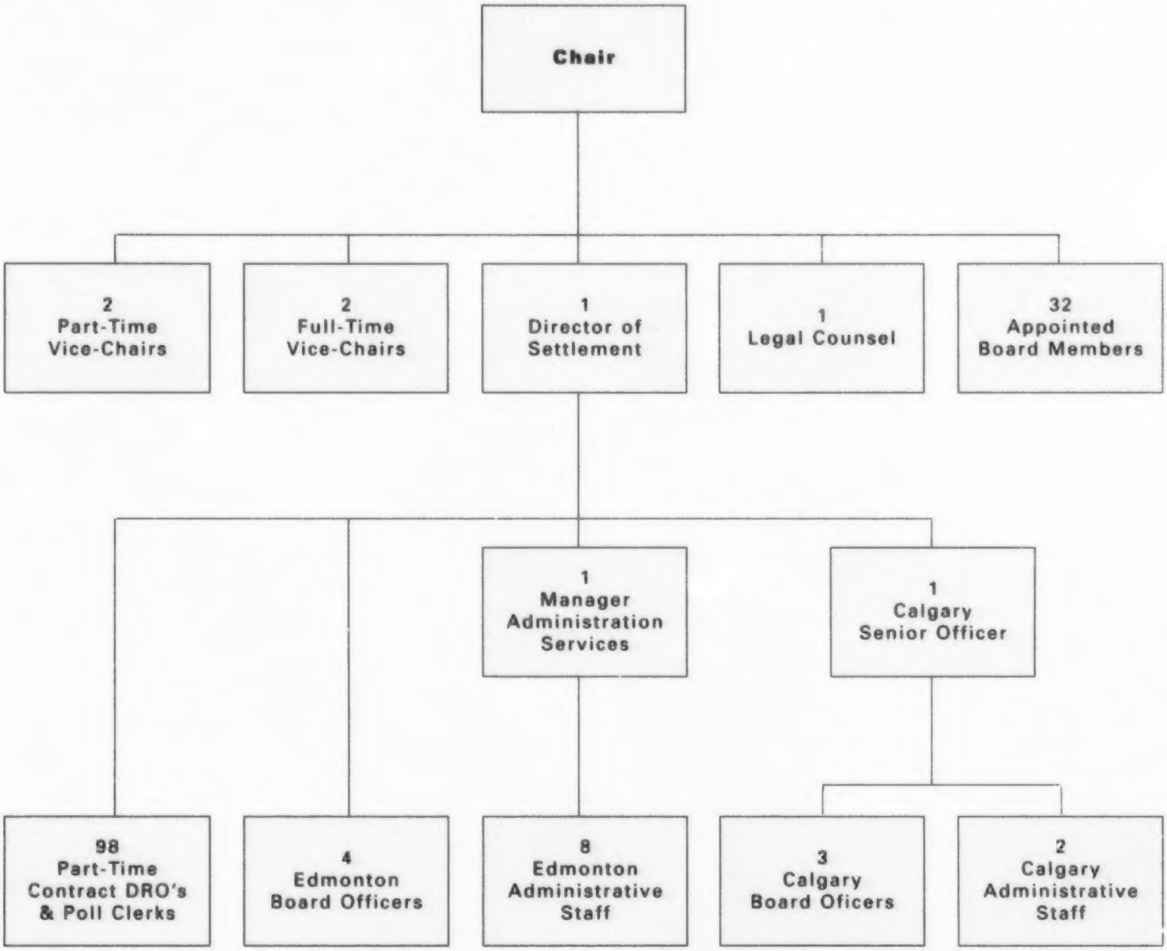
Finally, our new Code of Ethics for Board members and other training initiatives demonstrate our commitment to serving our clients with the highest degree of professionalism and integrity.

As we look towards the upcoming year, I look forward to encouraging and fostering a greater atmosphere of openness between the Board and the labour relations community so we can achieve our common goals.

Mark Asbell
Chair, Alberta Labour Relations Board

ALBERTA LABOUR RELATIONS BOARD ORGANIZATION CHART

March 31, 2000


Chair
2 Part-Time Vice-Chairs
2 Full-Time Vice-Chairs
1 Director of Settlement
1 Legal Counsel
32 Appointed Board Members
1 Manager Administration Services
1 Calgary Senior Officer
98 Part-Time Contract DRO's & Poll Clerks
4 Edmonton Board Officers
8 Edmonton Administrative Staff
3 Calgary Board Oficers
2 Calgary Administrative Staff

THE ALBERTA LABOUR RELATIONS BOARD

Employees have the right to seek collective bargaining with their employers. *The Labour Relations Code, Public Service Employee Relations Act* and the *Police Officer's Collective Bargaining Act* guarantee this right and establish a framework for employees to make this choice freely. This framework describes how a trade union bargains with an employer over terms and conditions of employment to arrive at a collective agreement. Rules of fair play govern trade unions, employers, and employees in their labour relations activities.

The Alberta Labour Relations Board is an independent and impartial tribunal. It is responsible for the day-to-day application and interpretation of these rules and also processes the various applications required by the statutes.

Board activities are largely client and case load driven. The Board maintains tight control over its case handling and vote mechanisms. The Board recognizes that the timely resolution of labour relations differences involves the interests of the public as a whole as well as the interests of the parties directly involved in the difference.

Alberta's labour relations legislation encourages parties to settle their disputes, wherever possible, through honest and open communication. The Board offers informal settlement options to the parties, but it also has inquiry and hearing powers to make binding rulings whenever necessary.

1999/2000 Business Plan

MISSION STATEMENT[1]

The mission of the Alberta Labour Relations Board is to support and advance the principles of Alberta's labour relations laws by:

- Educating the labour relations community and the public of their statutory rights and obligations
- Developing policies and processes that will assist the parties to prevent disputes or resolve their disputes over these rights and obligations without resort to litigation; and
- Providing timely, appropriate, impartial resolution of those disputes

CORE BUSINESS

The Board's core activities arise from the responsibilities placed on it by the labour relations legislation it oversees. These activities are:

- The investigation, processing, and determination of applications made to the Board by parties in Alberta's collective bargaining regime
- The formal adjudication of issues arising out of the application/complaint process
- The informal mediation of differences in attempts to limit the need for formal adjudication and help build mutually beneficial relationships between parties
- The education of Alberta's labour community in the interpretation of Alberta's labour relations legislation and the Board's rules, policies and procedures
- The development of formal and informal consultative processes with the province's labour relations community to ensure that Board policies and procedures are sensitive to the current realities in the community

---

[1] Board adopted revised vision and mission statements in October of 1999. This mission statement reflects the Board's pre-October 1999 version.

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Key Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Labour Relations Board's key performance measures included in the *1999-2000 Annual Report of the Ministry of Human Resources and Employment* as presented on pages 161 to 164.

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

2. The calculations which converted source information into reported measures were tested.

3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit, and therefore I express no opinion on the key measures included in the *1999-2000 Annual Report of the Human Resources and Employment*.

Peter Valentine

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
August 18, 2000

Goals / Strategies / Results

Goal 1 **To provide timely, effective and efficient services to the Alberta labour relations community**

STRATEGIES

- Provide communications that are clear, timely and precise to ensure the parties understand the procedures and the issues involved
- Investigate applications in a timely and accurate manner to ensure early resolution of differences
- Ensure that all Board publications and communications are current and readily available to Alberta's labour relations community
- Review the Board's policies, procedures and systems regularly to ensure that they reflect the needs of Alberta's labour relations community

RESULTS

As part of the Board's ongoing review of its policies and procedures, along with input gathered from the Angus Reid Client Satisfaction Survey, the following initiatives were undertaken in 1999/2000:

- Revision of mission, vision and goals reflecting new focus on business strategies to meet client and organizational needs
- Four new sub-committees, reporting to the management team were established to review the areas of administration, operations, statutory policies / procedures and database polices / procedures
- Two new caucus committees were established (Steering Committee and Professional Conduct) to work with three existing caucus committees (healthcare, construction - maintenance and alternative dispute resolution) providing advice and direction to the Board
- Completion of the Client Satisfaction Survey in June 1999. The analysis and implementation of the survey suggestions have begun and will provide a framework for future strategies
- A bulletin underwent a major revision and was distributed to the labour relations community
- New information was added to Board's web-site

PERFORMANCE MEASURE

The average time, as measured in the number of working days, to process and complete expedited applications. This provides an indication of the timeliness of the Board's services.[2]

RESULTS

The average number of days to process applications must be kept at minimal limits for each of the following types of application:

Application Type	Target	Result	Over/Under
Certification	30 days	37	7 days over target
Revocation	25	97	72 days over
Determination	180	234	54 days over
BR Modification	210	224	14 days over
Successor Union	90	64	26 days under
Employer UFLP	150	161	11 days over
Union UFLP	115	178	63 days over
Proposal Vote	16	10	6 days under
Strike Vote	15	14	1 day under

ANALYSIS

- During the period of time while the recruitment of a new Chair was underway (April – September 1999) the Board was operating with only two full-time Vice-Chairs creating delays in rendering decisions that affected time lines. The use of contracted part-time Vice-Chairs alleviated some of the delays
- The performance indicators that were developed in the 1999/2000 business plan did not allow for the deviation that one or two files could have on year end statistics. In the Board's 2000/01 business plan, performance indicators have been developed that will provide benchmarks that are based on a percentage of matters that meet the performance indicator criteria. The new methodology will allow the Board to track its performance based on the majority of its caseload and not one or two anomalies

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[2] **Source/Methodology**
The Alberta Labour Relations Board Case Management System tracks all applications and complaints brought before the Board. The system tracks and calculates completion time from the date of acceptance to the date that the matter is resolved. In the calculation of average days to completion, a report is run to determine the amount of time to completion for each matter.

Goal [illegible]

The Board promotes the use of Alternative Dispute Resolution methods to resolve issues before reaching formal hearings

STRATEGIES

- Ensure that Board officials develop and maintain the proper facilitation skills required to provide an environment where the resolution of issues can take place
- Increase the exchange of information between the parties and make them aware of alternative sources of information
- Educate the labour community on, and promote the use of Alternative Dispute Resolution (ADR) as an effective resolution tool

RESULTS

The following initiatives were implemented to help achieve its Alternative Dispute Resolution objectives:

- New initiative of scheduled resolution conference was incorporated in to the Boards processes in order to facilitate increased information exchange and settlement discussions
- All Board officers are engaged in or have completed the Dispute Resolution Program provided by the Alberta Mediation and Arbitration Society and various educational institutions
- ADR information materials were added to the Board 's web-site

PERFORMANCE MEASURE

Percentage of applications, where there is Board Alternative Dispute Resolution involvement, that do not go to hearing.[3] This provides an indication of the successful use of Alternative Dispute Resolution methods.[4]

TARGET

Percentage of applications settled with Board staff with Alternative Dispute Resolution techniques: 30 per cent

RESULT

Percentage of applications settled with Board staff with Alternative Dispute Resolution techniques: 48 per cent

ANALYSIS

The Board has established a sub-committee to develop a detailed settlement criteria that will reflect its focus on the settlement process. This will be included in the 2001/02 business plan performance measures.

1999/2000 Highlights

EMPHASIS ON SETTLEMENT

Starting in December, 1999 the Board implemented a new Resolution Process designed to provide:

- an opportunity for settlement close to the hearing date when all parties should be informed of the issues ("mediation")
- an opportunity to hear a Board opinion about the strength of their case should it go to formal hearing ("case assessment")
- a process to deal with procedural and preliminary matters that might delay the hearing ("case management")

ANGUS REID CLIENT SATISFACTION SURVEY

Developed in early 1999 and completed in June 1999, the survey examined certain parts of the Board's processes and procedures. It identified the strengths and weaknesses in the Board's operations and is being used to set benchmarks and drive the change process at the Board.

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[3] Not including Certification, Revocation, Strike/lockout matters which are required by legislation to go to hearing.

[4] **Source/Methodology**

The Alberta Labour Relations Board Case Management System tracks all applications and complaints brought before the Board. In this performance measure, the case management system is used to identify the type of resolution associated with the conclusion of each matter. Settlement is defined as closing the file through Board Staff involvement. Drawing data form the Board's "Average time - Others by category" report, this measure uses the figures from withdrawal and settlement categories and calculates these as a percentage of the total number of matters.

other financial information

financial statements of the Workers' Compensation Board

other financial information — financial statements

Workers' Compensation Board

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- Management Responsibility
- Actuaries Report
- Auditor's Report
- Balance Sheet
- Statement of Operations
- Statement of Reserves and Fund Balance
- Statement of Cash Flows
- Notes to Financial Statements
- Schedule A - Salaries and Benefits
    - A1 - Salaries and Benefits

Workers' Compensation Board

financial statements

Management commentary on the financial statements for 1999

RESULTS OF OPERATIONS

The overall result is an operating deficit of $130.2 million[1] brought about by changes to claim policies and claim experience.

The Rate and Benefit Stabilization Reserve was reduced by a net of $55.1 million to reflect the appropriation to the reserve to meet the Funding Policy requirements and the draw on the reserve to fund the decision to provide remarried widows and widowers of pre-1982 spouses with a one-time payment of $80,000 each, the impact of which is valued at $80 million. The Occupational Disease Reserve was increased by $14.2 million consistent with the Funding Policy. The Fund balance at December 31, 1999 is $358.8 million.

The average actual premium rate collected was considerably below the average premium rate required to meet the cost of current year injuries[2] as a result of the investment gains.

INVESTMENT ACTIVITIES

Investments held to meet future benefit obligations for past injuries reached $3,827.2 million, an increase of 4.6%. The capital market in 1999 was quite strong resulting in a market return of 14.7% for 1999 compared to 11.0% for the previous year.

CLAIM BENEFIT LIABILITIES

Estimated claim benefit liabilities of the corporation increased to $3,000.8 million, an increase of 13.2%. Note 9 to the financial statements provides a reconciliation of the changes to the claim benefit liabilities. There were no material changes in 1999 to the actuarial assumptions or methodology other than as identified in the Actuarial Certificate and Note 9.

1. The operating deficit of $130.2 million can be attributed to the following:

Net investment revenue gain over liability requirements and investment revenue on the fund balance and reserves	$ 241.7 million
Shortfall in premium revenue as a result of actual premium rate ($1.07) being lower than the required premium rate ($1.62) on $31.87 billion in insurable earnings	(175.3 million)
Actuarial adjustments	(205.8 million)
Other items including favourable variances in administration costs and injury reduction	9.2 million
Total	$(130.2 million)

2. Average actual compared to average required premium rates

Per $100 Insurable Earnings

Year	Average Actual Premium Rate	Average Rate Required for Full Funding	Difference
1999	1.07	1.62	(0.55)
1998	1.35	1.49	(0.14)
1997	1.48	1.51	(0.03)
1996	1.50	1.51	(0.01)
1995	1.89	1.56	0.33
Average	1.46	1.54	(0.08)

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1996	1.50	1.51	(0.01)
1995	1.89	1.56	0.33
Average	1.46	1.54	(0.08)

RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of the Workers' Compensation Board were prepared by management, which is responsible for the integrity and fairness of the data presented, including significant accounting judgements and estimates. This responsibility includes selecting appropriate accounting principles consistent with generally accepted accounting principles in Canada.

In discharging its responsibility for the integrity and fairness of the financial statements, management maintains the necessary internal controls designed to provide reasonable assurance that relevant and reliable financial information is produced and that assets are properly safeguarded.

The WCB's actuarial staff performs an annual actuarial valuation of the claim benefit liabilities included in the financial statements of the WCB.

The Board of Directors are responsible for overseeing management in the performance of financial reporting responsibilities and has approved the financial statements included in the Annual Report.

The Board of Directors are assisted in its responsibilities by its Audit Committee. This committee reviews and recommends approval of the financial statements; and meets periodically with management, external auditors, and actuaries concerning internal controls and all other matters relating to financial reporting.

Watson Wyatt has been appointed as the independent consulting actuary to the WCB. Their role is to complete an independent review of the annual actuarial valuation of the claim benefit liabilities included in the financial statements of the WCB and to report thereon in accordance with generally accepted actuarial principles.

KPMG, the independent auditor of the WCB, has performed an audit of the financial statements of the WCB in accordance with Canadian generally accepted auditing standards. The Auditors' Report outlines the scope of this independent audit and the opinion expressed.

Rick LeLacheur
Chairman,
Board of Directors

Mary J. Cameron
President and
Chief Executive
Officer

David Renwick

David Renwick
Vice President and
Chief Financial
Officer

TO THE BOARD OF DIRECTORS OF THE WORKERS' COMPENSATION BOARD - ALBERTA

We have made an independent review of the actuarial valuation of the liabilities for future benefits payable under the Workers' Compensation Act - Alberta as at December 31, 1999 in respect of accidents which have occurred up to that date.

The actuarial valuation has been performed by the Board's actuarial staff and a comprehensive actuarial report has been prepared and provided to the Board. The Board's auditors have made an independent review of the financial data used in the actuarial valuation. We have reviewed the data used for the valuation and have made tests of reasonableness and of consistency with the data used in prior years. In our opinion the data is sufficient and reliable for the purposes of this valuation.

The actuarial valuation of these liabilities in the amount of $3,000,800,000 represents the actuarial present value at December 31, 1999 of all future short term disability benefits, long term disability benefits, survivor benefits, health care payments and rehabilitation payments and expenses of administration which are expected to be made in future years and which relate to claims occurring on or before December 31, 1999. The actuarial valuation does not include benefits or payments that are on a self-insured basis. The actuarial liabilities at December 31, 1999 include $80.0 million in respect of lump sums expected to be paid to surviving spouses whose benefits were previously discontinued on re-marriage prior to 1982, and $58.0 million of increased liabilities with respect to changes in policies or procedures that have been approved by the Board by December 31, 1999.

The valuation was based on the Workers' Compensation Act in effect as of December 31, 1999 as administered by the Board, and on the current practices and administration procedures of the Workers' Compensation Board and historical claims experience. The disability benefits in respect of accidents in 1995 and subsequent years are different from those applicable to accidents incurred up to December 31, 1994. For valuation purposes the actuarial valuation in respect of accidents after December 31, 1994 has been made on the same actuarial assumptions, methods and benefit levels as are used for accidents incurred up to December 31, 1994.

The actuarial assumptions and methods used are based on the Board's best estimates and take into account current benefits, expenditures and practices. A material change was made in the actuarial methods and assumptions used to calculate the liability for claims administration expenses. This change was made to better reflect the wage-based administrative costs and the current incidence of expenditures as between newer and older claims, which decreased the liabilities by $35.3 million.

A summary of the net discount rates used in the actuarial valuation are referred to in the notes to the financial statements.

In our opinion, for the purpose of the valuation, the actuarial assumptions are appropriate and the methods employed are consistent with sound actuarial principles. The valuation report has been prepared, and our opinions have been given in accordance with accepted actuarial practice.

WATSON WYATT & COMPANY

L.N. Taylor.

Leslie N. Taylor, F.I.A., F.C.I.A.
Fellow, Canadian Institute of Actuaries

Nancy A. Yake

Nancy A. Yake, F.S.A., F.C.I.A.
Fellow, Canadian Institute of Actuaries

Auditor's Report to the Board of Directors of the Workers' Compensation Board — Alberta and the Auditor General of the Province of Alberta

We have audited the balance sheet of Workers' Compensation Board - Alberta (the Board) as at December 31, 1999 and the statement of operations, statement of reserves and fund balance and statement of cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 1999 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Edmonton, Canada
March 10, 2000

THE WORKERS' COMPENSATION BOARD - ALBERTA

BALANCE SHEET

As at December 31, 1999

	(in thousands) 1999	(in thousands) 1998
ASSETS		
Cash	$ 146,614	$ 101,464
Receivables (Note 3)	22,193	10,681
Investments (Note 4)	3,827,241	3,659,514
Capital assets (Note 6)	33,961	33,280
	$ 4,030,009	**$ 3,804,939**
LIABILITIES		
Payables and accruals (Note 7)	$ 35,317	$ 25,172
Deferred revenue (Note 8)	342,318	344,039
Claim benefit liabilities (Note 9)	3,000,800	2,652,000
Provincial pension plans (Note 10)	963	2,959
	3,379,398	3,024,170
RESERVES AND FUND BALANCE		
Rate and benefit stabilization reserve	156,600	211,700
Occupational disease reserve	135,200	121,000
Fund balance	358,811	448,069
	$ 4,030,009	**$ 3,804,939**

Commitments (Note 18)

The accompanying notes and schedules are an integral part of the financial statements.

On behalf of the Board of Directors:

RICK LELACHEUR
CHAIRMAN, BOARD OF DIRECTORS

MARY J. CAMERON
PRESIDENT AND CHIEF EXECUTIVE OFFICER

THE WORKERS' COMPENSATION BOARD - ALBERTA

STATEMENT OF OPERATIONS

For the year ended December 31, 1999

(in thousands)

	1999		1998
	Budget	**Actual**	**Actual**
REVENUE			
Premiums	$ 354,900	$ 354,301	$ 412,203
Investment (Note 11)	295,000	415,434	344,113
Other (Note 12)	4,600	1,651	3,413
	654,500	**771,386**	**759,729**
EXPENDITURE			
Claim costs (Note 9)	562,900	821,335	556,269
Administration (Note 14)	66,000	63,691	46,849
Injury reduction (Note 16)	14,700	12,218	12,624
Appeals Commission (Note 17)	4,400	4,300	3,932
	648,000	901,544	619,674
OPERATING SURPLUS (DEFICIT)	**$ 6,500**	**$ (130,158)**	**$ 140,055**

The accompanying notes and schedules are an integral part of the financial statements.

THE WORKERS' COMPENSATION BOARD - ALBERTA
STATEMENT OF RESERVES AND FUND BALANCE
For the year ended December 31, 1999

	(in thousands) 1999	(in thousands) 1998
RATE AND BENEFIT STABILIZATION RESERVE		
Balance at beginning of year	$ 211,700	$ 202,900
Transfer from (to) Fund Balance	(55,100)	8,800
BALANCE AT END OF YEAR	**$ 156,600**	**$ 211,700**
OCCUPATIONAL DISEASE RESERVE		
Balance at beginning of year	$ 121,000	$ 116,000
Transfer from (to) Fund Balance	14,200	5,000
BALANCE AT END OF YEAR	**$ 135,200**	**$ 121,000**
FUND BALANCE		
Balance at beginning of year	$ 448,069	$ 321,814
Operating Surplus (Deficit)	(130,158)	140,055
Transfers from (to) Reserves	40,900	(13,800)
BALANCE AT END OF YEAR	**$ 358,811**	**$ 448,069**

The accompanying notes and schedules are an integral part of the financial statements.

THE WORKERS' COMPENSATION BOARD - ALBERTA

STATEMENT OF CASH FLOWS

For the year ended December 31, 1999

(in thousands)

	1999		1998
	Budget	**Actual**	**Actual**
CASH FLOW FROM OPERATING ACTIVITIES			
Cash received from:			
Employers	$ 358,700	$ 343,554	$ 438,425
Dividends and interest	138,000	86,063	90,779
Other income	2,500	1,651	3,413
	499,200	431,268	532,617
Cash paid to:			
Claimants, or third parties on claimants behalf	356,500	408,744	368,013
Employees and suppliers, for administrative and other goods and services	123,000	108,853	104,561
Employers for premium rebates	101,300	-	57,524
Injury reduction	21,900	12,236	14,937
	602,700	529,833	545,035
Net cash provided from (used for) operating activities	(103,500)	(98,565)	(12,418)
CASH FLOW FROM INVESTING ACTIVITIES			
Cash received from:			
Sale and maturity of investments	500,000	354,871	642,934
Cash paid for:			
Purchase of investments	351,500	194,948	677,289
Purchase of capital assets, net	35,000	16,208	10,820
	386,500	211,156	688,109
Net cash provided from (used for) investing activities	113,500	143,715	(45,175)
NET INCREASE (DECREASE) IN CASH	10,000	45,150	(57,593)
Cash at beginning of year	100,000	101,464	159,057
CASH AT END OF YEAR	**$ 110,000**	**$ 146,614**	**$ 101,464**

The accompanying notes and schedules are an integral part of the financial statements.

THE WORKERS' COMPENSATION BOARD - ALBERTA
NOTES TO THE FINANCIAL STATEMENTS **(in thousands)**

December 31, 1999

1. GENERAL

Legislative Authority

The Workers' Compensation Board (WCB) operates under the authority of the Workers' Compensation Act, Statutes of Alberta 1981, Chapter W-16, as amended.

Vision and Mission

The Vision of the WCB is "Albertans working - a safe, healthy and strong Alberta".

The Mission of the WCB is "The WCB - Alberta, working together with our partners, will significantly and measurably reduce the impact of workplace illness and injury on Albertans".

Funding Policy

Consistent with Section 85 of the Workers' Compensation Act, the Board of Directors established a funding policy to ensure for the benefit of its stakeholders the WCB remains financially stable and secure into the future. To this end the Rate and Benefit Stabilization Reserve was created. Its purpose is to provide for the costs that may arise from extraordinary events which may otherwise unfairly burden employers in the short term, jeopardize benefits to injured workers, or prevent full funding. An Occupational Disease Reserve was created to provide for the costs that may arise from latent occupational diseases where a causal link to the workplace has not yet been established but may be established in the future. The funding policy also stipulates a Fund Balance to recognize the degree of uncertainty in the business of workers' compensation.

Claim Benefit Liabilities

Claim benefit liabilities are independently reviewed by an external actuary as at December 31, 1999 and represent the actuarial present value of all future benefit payments expected to be made for claims which have occurred in respect of current and prior years' injuries.

These benefits are expressed in constant dollars discounted at 4.0% per annum, being the difference between expected investment earnings and expected increases in benefit payments, except for rehabilitation and claim administration costs which are discounted at 3.5% and health care costs which are discounted at 0.5% to reflect expected higher increases in health care costs and utilization.

The claim benefit liabilities include provision for all benefits provided by current legislation, policies and administrative practices. No provision has been made for claims related to known latent occupational diseases where the claim has not yet been reported and the year of disablement would be in a subsequent period.

The actuarial liabilities of the WCB are of a long-term nature and therefore the actuarial assumptions and methods used to calculate the reported actuarial liabilities at December 31, 1999 are based on considerations of future expenditures over the long term. It is reasonably possible that changes in future conditions within one year of the financial statement date could require a change in the recognized amounts.

2. SIGNIFICANT ACCOUNTING POLICIES

General

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Cash

Cash and cash equivalents are funds consisting of cash and money market instruments with maturities up to 3 months.

Cash and short term investments held in the investment portfolio for trading purposes are excluded from cash and cash equivalents reported on the balance sheet.

Investments

Fixed term investments are stated at amortized cost. Gains and losses realized on disposal of fixed term investments are deferred and amortized on the straight-line basis over a period which approximates the average remaining term to maturity of the fixed term investments sold. Equity and real estate investments are stated at moving average market value. Gains and losses realized on disposal of equity and real estate investments together with unrealized gains and losses occurring during the year, are deferred and amortized on the straight-line basis over five years.

Derivative Financial Instruments

Derivative financial instruments are financial contracts whose price is dependent on the price of one or more underlying securities, reference rates or indices. Derivative products include interest rate swaps, equity and bond index swaps, and forward foreign exchange contracts. These products are traded by the WCB for income enhancement and can be used to hedge interest rate and foreign currency exposures. Interest rate swap and forward foreign exchange contract notional amounts are not recognized in the financial statements. Index swaps are recorded at moving average market value or amortized cost based on the nature of the index used.

Interest rate swaps are transactions in which two parties exchange interest rates on a specified notional amount for a predetermined period. Interest income is recognized in the year.

Equity and bond index swaps are agreements to exchange cash flows based on the return of a specified equity or bond index. Income is recognized in the year.

Forward foreign exchange contracts represent commitments to exchange two currencies at a specified future date based on a rate agreed to by both parties at the inception of the contract. Foreign exchange gains and losses are recognized in the year as income.

Fair Value

The carrying value of cash, receivables and payables and accruals approximate their fair value due to the relatively short periods to maturity of the instruments. The fair value of investments is market value. The market value of publicly traded investments is based on quoted market prices. The market value of privately held debt, equity or real estate investments is based on discounted future cash flows or independent appraisals. The market or replacement value of swaps and options is determined by the net unrealized gains or losses, accrued interest receivable or payable and premiums paid or received.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency Translation

Assets and liabilities, with the exception of investments, denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. The foreign currency exchange gains and losses for investments are recorded in the same manner as other investment gains and losses.

Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the WCB's management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods presented. Actual results could differ from the estimates made by management. Claim benefit liabilities, reserves for rate and benefit stabilization and occupational disease and accrued premiums are the most significant items which reflect estimates in these financial statements.

Capital Assets

Capital assets are reported at cost and are amortized over their estimated useful lives. Amortization is provided using the following methods and annual rates:

Buildings		2.5% straight-line
Equipment	• computer	35% diminishing balance
	• furniture and other	15% diminishing balance
	• vehicles	20% straight-line
Computer software		20% straight-line

3. RECEIVABLES

	(in thousands)	
	1999	1998
Premiums	$ 5,647	$ (2,365)
Accrued Premiums	12,673	9,938
Other	3,873	3,108
	$ 22,193	**$ 10,681**

4. INVESTMENTS

(in thousands)

	1999		1998	
	Book Value	Market Value	Book Value	Market Value
Cash and short term investments	$ 66,019	$ 66,335	$ 67,594	$ 68,799
Fixed term investments - Bonds	1,534,370	1,549,264	1,447,481	1,553,011
Real estate	112,868	121,691	68,966	80,847
Equities:				
Domestic	891,234	973,147	836,674	801,755
Foreign	1,222,750	1,586,109	1,238,799	1,479,426
	2,113,984	2,559,256	2,075,473	2,281,181
	$ 3,827,241	**$ 4,296,546**	**$ 3,659,514**	**$ 3,983,838**

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES

Derivative Financial Instruments

	1999		1998	
	Notional Amount	Replacement Value	Notional Amount	Replacement Value
Interest rate swaps	$ 360,563	$ (1,613)	$ 320,119	$ 15,098
Forward foreign exchange contracts	31,061	29	158,787	(146)
Equity index swaps	302,525	18,142	248,464	4,176
Bond index swaps	223,071	(1,485)	248,302	1,419
	$ 917,220	**$ 15,073**	**$ 975,672**	**$ 20,547**

	Remaining Term to Maturity					
Notional Principal	Within 1 Year	Over 1 To 3 Years	Over 3 To 5 Years	Over 5 Years	Total 1999	Total 1998
Interest rate swaps	$ 46,466	$ 135,810	$ 61,318	$ 116,969	$ 360,563	$ 320,119
Forward foreign exchange contracts	31,061	-	-	-	31,061	158,787
Equity index swaps	302,525	-	-	-	302,525	248,464
Bond index swaps	117,405	105,666	-	-	223,071	248,302
	$ 497,457	**$ 241,476**	**$ 61,318**	**$ 116,969**	**$ 917,220**	**$ 975,672**

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ACTIVITIES (continued)

Notional principal amounts are the basis upon which payments are made and are not indicative of the credit exposure with derivative products. On the other hand, as described in Note 2, the replacement value is determined by the net unrealized gains or losses, accrued interest receivable or payable and premiums paid or received. If the counterparty to the derivative fails to discharge their obligation, then the replacement value is the credit exposure of the WCB.

Credit Risk Management

Credit exposure on financial instruments arises from the possibility that a counterparty to an instrument fails to perform. Counterparties for derivative contracts will have at least an AA credit rating. The issuer for fixed term investments will have at least a BBB credit rating. Specific rules have been established to ensure the credit rating of a counterparty does not fall below a threshold deemed acceptable by the WCB. The WCB does not anticipate that any counterparties will fail to meet its obligations.

The WCB invests in publicly and privately traded shares and bonds available on domestic and foreign exchanges. These shares and bonds are affected by market changes and fluctuations. The WCB does not use derivative financial instruments to alter the affects of these market changes and fluctuations.

The WCB may lend any of its investments to third parties provided the loans are secured by cash or readily marketable securities having a market value of 105% of the loan. As of December 31, 1999 secured loans amounted to $239,754 ($113,300 in 1998).

Foreign Exchange Risk Management

The WCB has certain obligations and investments denominated in foreign currencies. The WCB does not undertake long term hedging strategies for the currency risk of foreign investments. The WCB undertakes long term investment strategies; however, currency fluctuations may affect short term returns. These fluctuations are not expected to affect the long term position of the investment portfolio. The WCB may enter into defensive hedging arrangements if it is believed that assets or cash flows are exposed to significant negative economic or political events. As of December 31, 1999 forward foreign exchange contracts amounted to $31,100 ($158,800 in 1998).

Interest Risk Management

Fluctuations in interest rates are managed by actively managing the duration of the fixed income portfolio. The WCB also enters into various types of interest rate contracts in managing interest rate risk. The table below represents the remaining term to maturity of the WCB's outstanding fixed term investments.

	Remaining Term to Maturity				
	Within 1 Year	Over 1 Year To 5 Years	Over 5 Years	Total 1999	Total 1998
Bonds	$ 98,641	$ 559,183	$ 891,440	$ 1,549,264	$1,553,011

The fixed term investments include bonds, debentures, and other interest bearing instruments. The average effective yield of these fixed term investments, excluding the investment in real return bonds, is 6.45% (1998: 5.44%) per annum based on market value.

6. CAPITAL ASSETS

(in thousands)

	1999			1998
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 1,119	$ -	$ 1,119	$ 1,119
Buildings	24,827	(13,606)	11,221	11,804
Equipment	7,539	(3,210)	4,329	6,682
Computer software	47,462	(30,170)	17,292	13,675
	$ 80,947	**$ (46,986)**	**$ 33,961**	**$ 33,280**

7. PAYABLES AND ACCRUALS

	1999	1998
Accrued staff benefits	$ 10,334	$ 9,288
Voluntary Incentive Plan	2,716	2,734
Other	22,267	13,150
	$ 35,317	**$ 25,172**

8. DEFERRED REVENUE

Deferred Realized Gains (Losses)

	1999			1998
	Fixed Term	Equities	Total	Total
2000	$ 14,221	$ 107,587	$ 121,808	$ 208,750
2001	13,779	77,679	91,458	65,656
2002	13,100	47,959	61,059	33,847
2003	10,615	25,432	36,047	9,486
2004 - 2008	31,946	-	31,946	26,300
	$ 83,661	**$ 258,657**	**$ 342,318**	**$ 344,039**

9. CLAIM BENEFIT LIABILITIES

(in thousands)

	1999							1998
	Short Term Disability	**Long Term Disability**	**Survivor Benefits**	**Health Care**	**Rehabilitation**	**Claim Administration**	**Total**	**Total**
BALANCE, BEGINNING OF YEAR	$ 410,600	1,158,200	357,600	485,100	53,300	187,200	$ 2,652,000	$ 2,521,200
Add:								
Claim costs incurred:								
Current year injuries	153,234	71,842	18,012	115,201	22,618	55,349	436,256	385,049
Prior years' injuries	112,492	77,868	117,404	63,441	34,932	(21,058)	385,079	171,220
	265,726	149,710	135,416	178,642	57,550	34,291	821,335	556,269
	676,326	1,307,910	493,016	663,742	110,850	221,491	3,473,335	3,077,469
Deduct:								
Claim payments made:								
Current year injuries	59,134	197	549	40,901	1,418	20,349	122,548	118,576
Prior years' injuries	104,192	85,413	32,067	65,341	19,532	43,442	349,987	306,893
	163,326	85,610	32,616	106,242	20,950	63,791	472,535	425,469
BALANCE, END OF YEAR	**$ 513,000**	**$ 1,222,300**	**$ 460,400**	**$ 557,500**	**$ 89,900**	**$ 157,700**	**$ 3,000,800**	**$ 2,652,000**

Claim payments for health care include reimbursement of $4,238 ($5,224 in 1998) to Alberta Health for basic health services for injured workers.

On March 23, 2000, Royal Assent was given to the Special Payment Act authorizing the WCB to make a further payment to remarried widows and widowers whose spouses died from pre-1982 work related causes. The Board of Directors by resolution established a one-time payment of $80,000 to each individual meeting the requirements of this Act. Included in the claim benefit liabilities is $80 million to reflect the financial impact of this legislative change.

9. CLAIM BENEFIT LIABILITIES (continued)

The following is a reconciliation of the claim benefit liabilities:

	(in thousands) 1999	(in thousands) 1998
Balance at beginning of year	$ 2,652,000	$ 2,521,200
Add:		
Provision for current year injuries	313,708	266,473
Interest allocated	173,700	170,900
Revision to compensation policies:		
Services to severly injured	33,000	-
Chronic pain syndrome	13,000	-
Delayed fatalities	1,700	-
Special needs and independence allowances	-	52,700
Revision to compensation procedures:		
Earning loss supplements	10,300	-
Remarried spouses	80,000	-
Claim cost experience higher (lower) than expected	139,466	8,856
	3,416,874	3,020,129
Deduct:		
Payments, for prior years' injuries, excluding self-insured employers	344,374	301,329
Difference between actual and expected long term cost of living adjustments	36,400	66,800
Revision to actuarial methodology for claim administration	35,300	-
Balance at end of year	**$ 3,000,800**	**$ 2,652,000**

10. PROVINCIAL PENSION PLANS

The WCB participates with other employers in two defined benefit pension plans. The Public Service Pension Plan and the Management Employees' Pension Plan provide pensions for the WCB employees based on length of service and earnings.

The WCB's portion of the unfunded pension liability for each plan as at December 31, 1999, as determined by the Provincial Treasurer, is as follows:

	1999	1998
Public Service Pension Plan	$ -	$ 1,996
Management Employees Pension Plan	963	963
	$ 963	**$ 2,959**

11. INVESTMENT REVENUE

	1999	1998
	(in thousands)	
Dividends and interest		
Fixed term	$ 88,517	$ 106,545
Equity	14,857	46,714
Real estate	6,151	3,978
	109,525	157,237
Add:		
Amortized realized and unrealized gains	306,845	187,405
	416,370	344,642
Deduct:		
Investment related administration expenditures	936	529
	$ 415,434	**$ 344,113**

12. OTHER REVENUE

	1999	1998
Prejudgement interest	$ 718	$ 879
Access to information	565	609
Legal consultation	430	512
Millard Centre (Note 13)	(117)	1,251
Other	55	162
	$ 1,651	**$ 3,413**

13. MILLARD CENTRE

	1999	1998
Revenue		
Charged to health care claim costs	11,974	10,685
Non-WCB treatment services	149	130
	12,123	10,815
Expenditures		
Salaries and employee benefits	9,158	7,504
Consulting fees	1,128	572
Building operations	935	858
Office and communications	913	543
Travel and vehicle operation	60	42
Amortization of capital assets	46	45
	12,240	9,564
Operating Surplus (Deficit)	**$ (117)**	**$ 1,251**

14. ADMINISTRATION EXPENDITURES

	(in thousands)	
	1999	1998
Salaries and employee benefits (Schedule A)	$ 76,388	$ 70,845
Office and communications	18,707	13,898
Amortization of capital assets	15,434	4,966
Consulting fees	12,082	10,260
Building operations	4,193	3,422
Travel and vehicle operation	1,381	1,291
Other	85	78
	128,270	104,760
Deduct:		
Claim administration costs	63,791	57,456
Charged to investment revenue	788	455
	$ 63,691	**$ 46,849**

15. SELF-INSURED EMPLOYERS

These financial statements include the effects of transactions carried out for self-insured employers who directly bear the cost of their workers' claims and an appropriate share of administration expenditures. Currently, the Federal Government is the only self-insurer. This is a contractual relationship in accordance with the Government Employees Compensation Act. Certain government related entities and railways are responsible for the cost of injuries to their workers which occurred when they were self-insured in prior years. Aggregate amounts of such premiums and offsetting expenditures are contained in the Statement of Operations as follows:

	1999	1998
Premium revenue	**$ 6,439**	**$ 6,169**
Claim costs incurred:		
Short term disability	$ 1,515	$ 1,324
Long term disability	1,590	1,612
Survivor benefits	637	780
Health care	1,421	1,362
Rehabilitation	142	200
	5,305	5,278
Administration expenditures	1,134	891
	$ 6,439	**$ 6,169**

16. INJURY REDUCTION

	(in thousands) 1999	(in thousands) 1998
Occupational Health & Safety	$ 6,000	$ 6,000
Safety Associations	3,648	3,908
Voluntary Incentive Plan	2,570	2,716
	$ 12,218	**$ 12,624**

The WCB has a statutory obligation to reimburse the Provincial Treasurer a portion of the costs associated with occupational health and safety.

Funding is provided to industry sponsored safety associations for the purpose of improving the workplace.

The Voluntary Incentive Plan is based on the premise that injuries, and in turn claim costs, can be reduced through health and safety management. Financial incentives are provided to employers who reduce claim costs.

17. APPEALS COMMISSION

The Appeals Commission is a separate legal entity whose operating costs are paid by the WCB from the Accident Fund in accordance with Section 6 of the Workers' Compensation Act. The Appeals Commission is managed separately from the WCB.

18. COMMITMENTS

A number of operating leases exist for computer equipment and office space. The following is a schedule of future lease payments to be charged to administration expenditures:

2000	$ 5,542
2001	3,180
2002	1,239
2003	705
Beyond	321
	$ 10,987

19. BUDGET

The Board of Directors approved the budget in October, 1998. The budget is presented for comparison with the 1999 actual figures.

20. COMPARATIVE FIGURES

The 1998 figures are reclassified where necessary to conform to 1999 presentation.

WORKERS' COMPENSATION BOARD - ALBERTA
SALARIES AND BENEFITS

SCHEDULE A

DECEMBER 31, 1999

	1999					1998	
	Number of Individuals	Salary[1]	Benefits[2] [3]	Other	Total	Number of Individuals	Total
Chairman, Board of Directors [4]	1	$ 55,334	$ 1,186	$ -	$ 56,520	1	$ 78,291
Board Members [4]	9	163,836	4,833	-	168,669	9	147,918
	10	219,170	6,019	-	225,189	10	226,209
President and Chief Executive Officer	1	295,987	59,712[5]	-	355,699	1	256,663
Vice President, Claimant & Health Care Services	1	189,751	25,574	-	215,325	1	188,014
Vice President, Employer Services	1	170,100	29,134	-	199,234	1	186,799
Vice President and Chief Financial Officer	1	189,121	74,538	-	263,659	1	203,189
Vice President, Organizational Performance and Corporate Communications	0			-	0	1	114,534
Vice President & Chief Information Officer	1	165,275	19,850		185,125	0	-
Vice President, Marketing & Development	1	131,193	29,680		160,873	0	-
Secretary & General Counsel	1	163,959	33,161	-	197,120	1	165,336
	7	1,305,386	271,649	-	1,577,035	6	1,114,535
Other Managers: (1999 - $101,189, 1998 -$102,062)	36	3,207,138	435,591	-	3,642,729	36	3,674,236
Other Full-Time Staff: (1999 - $50,826, 1998 - $48,727)	1,531	67,889,152	9,925,453	-	77,814,605	1,437	70,022,019
Termination Benefits	-	-	-	1,304,452[6]	1,304,452	-	1,166,372
Long-Term Disability	-	-	-	854,390[7]	854,390	-	712,395
Provincial Pension Plans	-	-	-	(1,995,713)[8]	(1,995,713)	-	(486,992)
Other Staff Related Expenses	-	-	-	2,124,031[9]	2,124,031	-	1,919,966
Less: Salaries & Benefits for the Millard Centre [10]		(7,980,830)	(1,177,642)	-	(9,158,472)		(7,503,798)
Administration - Salaries & Benefits		$ 64,640,016	$ 9,461,070	$ 2,287,160	$ 76,388,246		$ 70,844,942

(1) Salary includes regular base pay, special incentive pay, overtime, performance awards, vacation pay, honoraria and contractor's fees.

(2) Employer's share of employee benefits and contributions or payments made to or on behalf of employees. It is comprised of Canada Pension Plan, Employment Insurance, Public Service and Management pension plans, medical benefits, group life insurance, disability plans, employee and family assistance plan, professional memberships and tuition, long service, suggestion and retirement awards, and vacation payout.

(3) No amount included in benefits and allowances for; car allowances, car insurance, or the value of parking and interest-free loans.

(4) The Chairman of the Board of Directors and Board Members are part time positions.

(5) The President and Chief Executive Officer does not participate in the Public Service Benefit Plan. The Board of Directors has provided her with an amount in lieu of pension paid directly.

(6) Termination benefits include retiring allowances, accrued sick leave and other settlement costs due to loss of employment.

(7) The adjustment to the liability for long-term disability claims reflects changes to the actuarial present value of all future payments expected to be made for claims which have occurred in current and prior years.

(8) Represents adjustments to Provincial Pension Plan Liabilities.

(9) Other staff related expenses include recruitment costs, seminars, conventions and conferences, staff and association luncheons and meetings, in-house training programs, retirees benefits and relocation costs.

(10) Excluded from this total is the Appeals Commission as it is a separate legal entity. See Schedule A-1 for details.

WORKERS' COMPENSATION BOARD - ALBERTA
SALARIES AND BENEFITS

SCHEDULE A – 1

DECEMBER 31, 1999

	1999					1998	
	Number of Individuals	Salary (1)	Benefits (2) (3)	Other	Total	Number of Individuals	Total
Chief Appeals Commissioner	1	$113,030	$12,598	$ -	$125,628	1	$124,663
Full Time Commissioners	7	481,784	67,136	-	548,920	7	552,410
Temporary Appeals Commissioners	26	582,146	12,708	-	594,854	22	551,017
	34	1,176,960	92,442	-	1,269,402	30	1,228,090
Other Full Time Staff (1999 - $51,593, 1998 - $49,675)	39	1,743,556	254,607	-	1,998,163	37	1,837,979
Termination Benefits	-	-	-	-	-	-	-
Long-Term Disability	-	-	-	-	-	-	-
Other Staff Related Expenses	-	-	-	35,399	35,399(4)	-	38,603
TOTAL		$2,920,516	$347,049	$35,399	$3,302,964		$3,104,672

The Appeals Commission is a separate legal entity funded by the accident fund but administered separately from the Workers' Compensation Board.

(1) Salary includes regular base pay, special incentive pay, overtime, performance awards, vacation pay, honoraria and contractor's fees.

(2) Employer's share of employee benefits and contributions or payments made to or on behalf of employees. It is comprised of Canada Pension Plan, Employment Insurance, Public Service and Management pension plans, medical benefits, group life insurance, disability plans, employee and family assistance plan, professional memberships and tuition, long service, suggestion and retirement awards, and vacation payout.

(3) No amount included in benefits and allowances for; car allowances, car insurance, or the value of parking and interest-free loans.

(4) Other staff related expenses include recruitment costs, seminars, conventions and conferences, staff and association luncheons and meetings, in-house training programs, retirees benefits and relocation costs.

Appendix 1

GOVERNMENT ORGANIZATION CHANGES: 1999 - 2000

This schedule gives a road map of the major program/entity changes as a result of the government reorganizations in 1999-2000. The left column identifies the ministries after the government reorganization. Some ministries are new, merged or renamed. The center column identifies the major programs/entities in which there was a change in administration to the reorganized ministries. The right column identifies which Ministry these programs/entities were located in before the government reorganizations.

Ministry	Program/Entity Changes	Previous Location
Agriculture, Food & Rural Development	Alberta Opportunity Company	Economic Development
Children's Services (New)	Social Support to Families with Children Family & Community Support Services Handicapped Children's Service Daycare	Former Family and Social Services
Community Development	Francophone Secretariat	Former Intergovernmental & Aboriginal Affairs
	Protection for Person in Care	Former Family & Social Services
	Housing & Alberta Social Housing Corp.	Municipal Affairs
Economic Development	Foreign Agriculture Marketing	Agriculture, Food & Rural Development
Executive Council	Government Protocol	Former Intergovernmental & Aboriginal Affairs
Gaming (New)	Community Lottery Grant Program	Community Development
	Lottery Fund and some Lottery Funded Programs Alberta Gaming and Liquor Commission	Economic Development
Government Services (New)	Consumer & Corporate Services and Registry Services	Municipal Affairs
	Regulatory Review	Treasury
Health and Wellness (Formerly Health)	Alberta Alcohol & Drug Abuse Commission	Community Development
	Services to Persons with Developmental Disabilities	Former Family and Social Services
Human Resources and Employment (New)	Income Support to Individuals & Families Employment & Training Support Supports to Dependent Adults	Former Family and Social Services
	Workplace Services Labour Relations	Former Labour
	Personnel Administration Office Career Information Labour Market Programs and Services	Former Advanced Education and Career Development

Infrastructure (Merger of Public Works, Supply & Services and Transportation & Utilities)	School & Post-Secondary Facilities	Former Education and Advanced Education & Career Development
Innovation & Science (Formerly Science, Research & Information Technology)	Alberta Agricultural Research Institute	Agriculture, Food & Rural Development
	Information Technology Services	Former Public Works, Supply and Services
	University Research Excellence University Intellectual Infrastructure (now in University Research Investments)	Former Advanced Education & Career Development
	Technology Commercialization Initiatives	Economic Development
Justice	Mediation Services	Former Family and Social Services
Municipal Affairs	Safety Services Freedom of Information & Protection of Privacy	Former Labour
	Disaster Services	Former Transportation and Utilities
Resource Development (Formerly Energy)	Northern Development	Executive Council
	Forest Products Development	Economic Development and Environment
Treasury	Employment Pensions	Former Labour

OTHER RENAMED OR MERGED MINISTRIES

Environment (formerly Environmental Protection)

International and Intergovernmental Relations (formerly Intergovernmental & Aboriginal Affairs)

Learning (merger of Education and Advanced Education & Career Development)

Appendix 2

Dropped Performance Measures and Related Status

Dept.	Measure	Status	Rationale
Advanced Education and Career Development (AECD)	Adult Participation in Learning	replaced	The original measure included programs transferred to the Ministry of Learning.Data for HRE Annual Report included only Learner Assistance Division data.
AECD	Public Satisfaction	deleted	Programs transferred to Ministry of Learning.
AECD	Learner Satisfaction	replaced	The measure included programs transferred to the Ministry of Learning. Data for the HRE annual report will include Learner Assistance Division data.
AECD	Employer Satisfaction	replaced	This measure is identified as a Core measure in the 1998/99 Government Annual Report.The original measure included programs transferred to the Ministry of Learning. Data for the HRE Annual Report will reflect Learners Assistance Division.
AECD	Post-Secondary Graduate Outcomes	deleted	Program transferred to the Ministry of Learning.
AECD	Granting Council Funding per Faculty	deleted	Program transferred to the Ministry of Learning.
AECD	Sources of revenue used to fund credit programs	deleted	Programs transferred to Ministry of Learning.
AECD	Comparison of net authorized estimates to actual net operating expenses	deleted	This measure had an AECD focus,and could not be readily transferred.
AECD	Program expenses as a percentage of total department expenses	deleted	This measure had an AECD Ministry focus and could not be readily transferred.
Labour	The percentage of assessed organizations administering the Safety Codes Act that achieve satisfactory performance rating, as defined by the monitoring program	deleted	Program was transferred to Municipal Affairs.
Labour	Measure FOIP requests	deleted	Program transferred to Municipal Affairs.
AFSS milestones	Children receiving services from the CFSA meet age	deleted	Program transferred to Ministry of Children and Family Services.
AFSS months	Proportion of SFI cases remaining closed after 12	deleted	One of the measures eliminated regarding the development and merging of measures for HRE Business Plan–Goal#8.
AFSS	Proportion of SFI files in the Employment/Training Support category with the head of household reporting income from employment	deleted	Large number of measures for HRE Business Plan –Goal #8. Decision was made to eliminate this one.
AFSS	Proportion of Child Health Benefit and Day Care Subsidy recipients expressing satisfaction with the services provided under those programs	deleted	The Day Care Subsidy program was transferred to the Ministry of Children and Family Services.
AFSS	Percentage of children who stay free from abuse or neglect while receiving child protection services	deleted	Child protection services were transferred to the Ministry of Children and family Services.
AFSS	Percentage of Day Care Centres meeting critical government standards	deleted	Day Care Standards Enforcement program transferred to the Ministry of Children and Family Services.
AFSS	Successful ward adoptions as percentage of children under permanent guardianship oraders	deleted	The Adoption program was transferred to the Ministry of Children and Family Services.
AFSS	Percentage of PDD service providers who have measured on the "Creating Excellence Together" Accreditation Standards who meet these standards	deleted	The Persons with Developmental Disabilities been Boards (PDD) programs and services were transferred to the Ministry of Health and Wellness.
AFSS	Increase the satisfaction of service recipients with the services they receive from SFI, AISH, PDD,	deleted	PDD was transferred to the Ministry of Health and Wellness, HCS was transferred to the Ministry of and HCS programs Children and Family Services.
AFSS	Number of adults with developmental disabilities in supported or competitive employment	deleted	The Persons with Developmental Disabilities programs and services were transferred to the Ministry of Health and Wellness.
AFSS	Proportion of Ministry clients expressing satisfaction	deleted	The client population of the Ministry has changed and with degree to which they had input into decisions therefore this measure is no longer relevant.

Appendix 3 Ministry Acts

INCOME AND EMPLOYMENT PROGRAMS (I&EP) AND CAREER DEVELOPMENT (CD)

Assured Income for the Severely Handicapped Act (AISH)
Government Organization Act (GOA)*
Income Support Recovery Act
Parentage and Maintenance Act
Social Development Act
Student and Temporary Employment Act
Widows' Pension Act

*Only section 2 of Schedule 3 and Schedule 8 under the GOA are administered by HRE.

OFFICE OF THE PUBLIC GUARDIAN

Dependent Adults Act
Personal Directives Act

WORKPLACE HEALTH AND SAFETY (WHS)

Employment Standards Code
Occupational Health and Safety Act
Radiation Protection Act

PROFESSIONS AND OCCUPATIONS (P&O)

Agrologists Act
Architects Act
Certified General Accountants Act
Certified Management Accountants Act
Chartered Accountants Act
Consulting Engineers of Alberta Act
Engineering, Geological and Geophysical Professions Act
Forestry Profession
Land Surveyors Act
Professional and Occupational Associations Registration Act
Veterinary Profession Act

ALBERTA LABOUR RELATIONS BOARD (LRB)

- Burial of the Dead Act
- Labour Relations Code
- Managerial Exclusion Act
- Police Officers Collective Bargaining Act
- Public Service Employee Relations Act

PERSONNEL ADMINISTRATION OFFICE (PAO)

- Public Service Act

WORKERS' COMPENSATION BOARD (WCB)

- Blind Workers' Compensation Act
- M.L.A. Compensation Act
- Workers' Compensation Act

ALPHABETICAL LIST OF ENTITIES' FINANCIAL INFORMATION IN MINISTRY ANNUAL REPORTS

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Agricultural Research Institute	Innovation and Science
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Resource Development
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Treasury
Alberta Heritage Foundation for Medical Research Endowment Fund	Treasury
Alberta Heritage Savings Trust Fund	Treasury
Alberta Heritage Scholarship Fund	Treasury
Alberta Historical Resources Foundation, The	Community Development
Alberta Informatics Circle of Research Excellence Inc.	Innovation and Science
Alberta Insurance Council	Treasury
Alberta Municipal Financing Corporation	Treasury
Alberta Oil Sands Technology and Research Authority	Innovation and Science
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Treasury
Alberta Petroleum Marketing Commission	Resource Development
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Treasury
Alberta School Foundation Fund	Learning
Alberta Science, Research and Technology Authority	Innovation and Science
Alberta Securities Commission	Treasury
Alberta Social Housing Corporation	Community Development
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Treasury
ATB Investment Services Inc.	Treasury
Awasak Child and Family Services Authority	Children's Services
Calgary Rocky View Child and Family Services Authority	Children's Services
Child and Family Services Authority – Region 13	Children's Services
Child and Family Services Authority – Region 14	Children's Services
Credit Union Deposit Guarantee Corporation	Treasury
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY (CONT'D)

Ministry, Department, Fund or Agency	Ministry Annual Report
Department of Community Development	Community Development
Department of Environment	Environment
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Justice	Justice
Department of Learning	Learning
Department of Resource Development	Resource Development
Department of Treasury	Treasury
Diamond Willow Child and Family Services Authority	Children's Services
Environmental Protection and Enhancement Fund	Environment
Gainers Inc.	Treasury
Government House Foundation, The	Community Development
Hearthstone Child and Family Services Authority	Children's Services
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
Keystone Child and Family Services Authority	Children's Services
Lottery Fund	Gaming
Ma'Mowe Capital Region Child and Family Services Authority	Children's Services
Metis Settlements Child and Family Services Authority	Children's Services
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[1]	Economic Development
Ministry of Environment	Environment
Ministry of Executive Council _	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Resource Development	Resource Development

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY (CONT'D)

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Treasury	Treasury
N.A. Properties (1994) Ltd.	Treasury
Natural Resources Conservation Board	Environment
Neegan Awas'sak Child and Family Services Authority	Children's Services
Persons with Developmental Disabilities Calgary Region Community Board	Health and Wellness
Persons with Developmental Disabilities Central Alberta Community Board	Health and Wellness
Persons with Developmental Disabilities Edmonton Community Board	Health and Wellness
Persons with Developmental Disabilities Foundation	Health and Wellness
Persons with Developmental Disabilities Michener Centre Facility Board	Health and Wellness
Persons with Developmental Disabilities Northeast Alberta Community Board	Health and Wellness
Persons with Developmental Disabilities Northwest Alberta Community Board	Health and Wellness
Persons with Developmental Disabilities Provincial Board	Health and Wellness
Persons with Developmental Disabilities South Alberta Community Board	Health and Wellness
Ribstone Child and Family Services Authority	Children's Services
S C Financial Ltd.	Treasury
Sakaigun Asky Child and Family Services Authority	Children's Services
Sakaw Askiy Child and Family Services Authority	Children's Services
Silver Birch Child and Family Services Authority	Children's Services
Southeast Alberta Child and Family Services Authority	Children's Services
Sun Country Child and Family Services Authority	Children's Services
Supplementary Retirement Plan Reserve Fund	Treasury
Victims of Crime Fund	Justice
West Yellowhead Child and Family Services Authority	Children's Services
Wild Rose Foundation, The	Community Development
Windsong Child and Family Services Authority	Children's Services

1 Ministry includes only the department so separate department financial statements are not necessary.

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts Trust Account	Municipal Affairs
Local Authorities Pension Plan	Treasury
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Treasury
Provincial Judges and Masters in Chambers Pension Plan	Treasury
Public Post Secondary Institutions2	Learning
Public Service Management (Closed Membership) Pension Plan	Treasury
Public Service Pension Plan	Treasury
Regional Health Authorities	Health and Wellness
School Boards2	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Treasury
Universities Academic Pension Plan	Treasury
Workers' Compensation Board	Human Resources and Employment